BSI
Brand Safety Institute

BRAND SAFE MARKET INEFFICIENCIES

Ad inventory is not created equal. When considering the role of the Brand Safety Officer in buy-side organizations, one key function that the Brand Safety Officer or team should engage in is leading a comprehensive analysis of prospective inventory options in support of the media buying area. The obvious layers to include in such an analysis are effectiveness (i.e., how well has similar inventory helped achieve a buy's goals in the past?) and cost. The less obvious layers to include, and the reason that the Brand Safety Officer should be involved in this activity, is to put the risk associated with different types of inventory into context.

As an example, if a buying team is looking at two potential sources of inventory that have proven similarly effective in the past and have similar cost profiles then a reasonable tie-breaker pushing a buy in one direction over another could be provided by the Brand Safety team that judges one of the sources as being less risky based on being TAG Certified Against Fraud or being less likely to contain potential adjacency issues.

Using a sports analogy, the participation of the Brand Safety team in inventory analysis should push the comparison between inventory types from looking like this:

Domain	Demographics Reached	Effectiveness	Cost
www.example1.com	---	B	$$$
www.example2.com	---	A-	$$$$

To something that looks more like this:
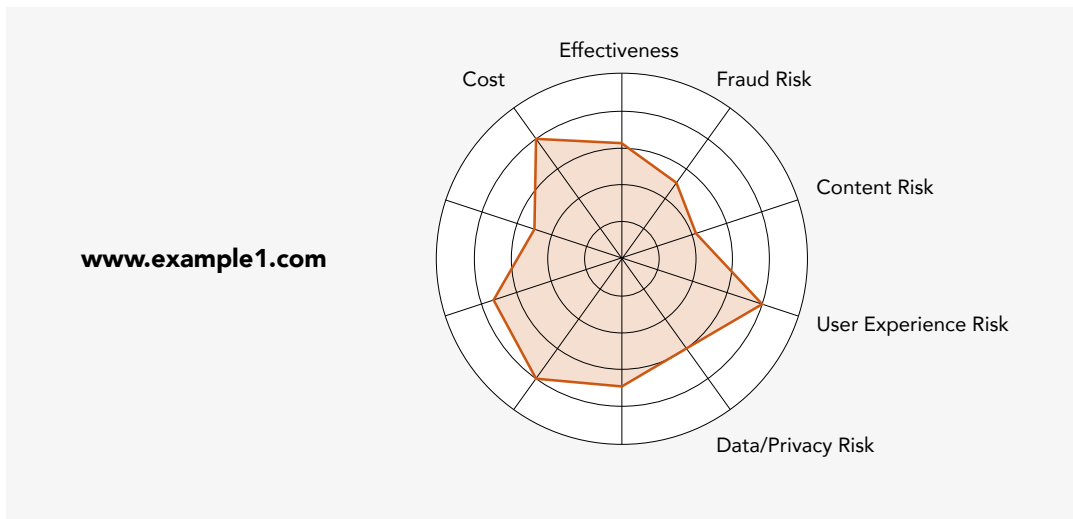
By performing a holistic analysis of potential traffic sources, or asking your media buying agency to do so for you based on your specific Brand Safety tolerances and preferences, organizations can position themselves to capitalize on prospective market inefficiencies that will help maximize campaign effectiveness while, at the same time, reducing risk.

Potentially Undervalued Sources of Inventory

When starting to consider Brand Safety characteristics as core components of inventory buying criteria, we start to see some trends emerge that could point to attractive buying targets.

News

News has been much-discussed during the COVID-19 pandemic and for good reason. The pandemic has helped shine a light on the fact that the initial industry reactions to Brand Safety concerns, while well-intentioned, represented an over-reaction when it came to blocking many news sources based on keywords that often appear in news stories that report on controversial or unsavory topics rather than actually BEING controversial or unsavory content.

Adding Brand Safety characteristics to inventory analysis and having the Brand Safety team look at the basis for decisions related to Fraud Risk, Content Risk, etc. could have helped marketers identify a potentially valuable, and underpriced source of inventory before the pandemic. There is ample evidence that advertising on news sources is at least as effective, if not more so,

than other sources. Being early to the game identifying that keyword risk was, in many cases, being inappropriately applied to news articles and domains, would constitute a real buying advantage.

BRAND SAFETY ANALYSIS ADVANTAGE:

Identifying holes in prevalent brand safety practices, in this case omitting the context keywords appear in, can point to a high potential source of undervalued inventory that comes with little adjacency risk.
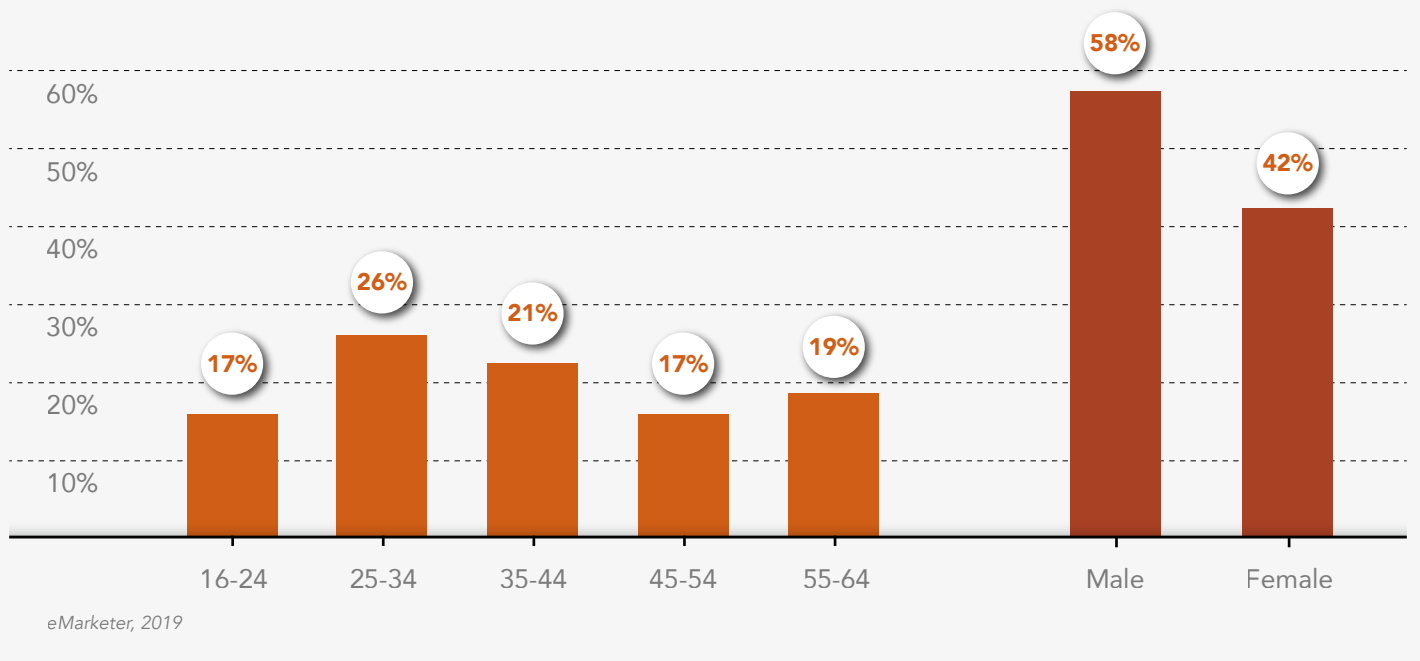
Ad Blocker Users

Another potential inefficiency that Brand Safety teams on the buy side should be looking at are the various ways to target ad blocker users. Rather than focusing on one domain over another or one content type over another, this slice of analysis focuses the audience being reached. In this case, the value to be extracted from the current environment is targeting a notoriously hard-to-reach audience, ad blocker users.

Ad blocker users skew young, male, and tech savvy and for many marketers this is a group that have excellent potential lifetime value as customers if they can be reached and converted into customers.

Demographics Of Ad-Blocker Users

% of US Ad-Blocker Users who are...

17% 16-24
26% 25-34
21% 35-44
17% 45-54
19% 55-64
58% Male
42% Female

eMarketer, 2019

In addition to being disproportionately from attractive demographic groups, ad blocker users have shown themselves to be actively engaged digital citizens. Independent market research has shown them to be:

- 76% more likely to post a product or service review
- 26% more likely to interact with a brand on social media
- Significantly more likely to transact digitally by ordering food online (60%), gambling online (119%), or making in-app purchases (32%)

NOTE: all percentages compared to non-ad blocker users in the same demographic groups

As with keyword blocking and news inventory, the inefficiency that marketers can take advantage of is the initial solution to the problem of consumer dissatisfaction with digital advertising experiences, the installation of an ad blocker that blocks all ads on all sites, represents an overreaction. The brute force nature of the solution leaves behind some market inefficiencies.

Over three quarters of ad blocker users in the US have indicated that they are supportive of the general concept of ad supported digital content and experiences. The objection comes in a few forms according to eMarketer research.

Ad-Blocking Motivations

% of US Ad-Blocker Users who say they use as-blockers for the following reasons

Too many ads are annoying or irrelevant

49%

I think there are too many ads on the internet

40%

I find online ads intrusive

40%

Ads take up too much screen space and get in the way

37%

I want to speed up the time it takes for things to load on my device

33%

I try to avoid ads wherever possible, whether on TV or online

32%

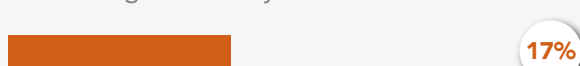I don't like seeing video ads before I'm allowed to watch video content/clips

29%

I'm concerned about ads compromising my online privacy

29%

I don't like ads which are personalized based on my browsing history

25%

I want to stop the battery life on my device from being drained by ads

17%

eMarketer, 2020

Further consumer research by the Coalition for Better Ads and the Acceptable Ads Committee have established a floor and a ceiling for what consumers are willing to accept when it comes to digital advertising. The CBA's Better Ads Standards have been established to set a floor for digital advertising experiences below which users indicate that they would be motivated to search for an ad avoidance strategy like downloading an ad blocker. The AAC's Acceptable Ads Standard focuses specifically on current ad blocker users and outlines a set of ad experiences that they would find acceptable as a compromise between seeing no ads at all and supporting ad-sponsored digital content and experiences.

In an ideal world, publishers would find an ideal point between the Better Ads Standards and the Acceptable Ads Standards, design their experiences around them, communicate to users what they've done, invited users to safe list them in their ad blockers, and their users would respond. This would return a significant amount of premium inventory to the ad ecosystem and ensure that ad blockers are disproportionately punishing the bad actors that drove consumers to download them in the first place.

Unfortunately, this is not is not an exact science. At each step in the paragraph above describing the ideal world there is an opportunity for inventory to remain obscured from traditional channels. A publisher may not make the necessary changes or they may not communicate those changes effectively to their users with the request to be safe-listed. Just as likely, users may not respond to those requests because it requires work on their side with no corresponding benefit.

Where the story gets interesting for marketers looking for a brand safe market inefficiency is

with the inventory that remains blocked. The fact that this inventory is characterized by consisting of users who have actively made the choice to download an ad blocker and set it to see what they consider to be less annoying and intrusive ads, means that there is very little chance that there will be any invalid traffic in the buy.

There are multiple ways for marketers to get to ad blocker users and it is not our job at BSI to promote any individual vendor or such path. It is our job to point out that by involving the brand safety team in evaluating the effectiveness of and risks associated with various traffic sources you would get a nuanced understanding of the ad blocking user, how to meet them on their own terms, and the fraud-related benefit to doing so along with the strong demographics that this particular segment represents.

Emerging Ad Types

Another opportunity where the Brand Safety team or a Brand Safety Officer can provide an advantage in identifying undervalued inventory (or inventory that is too risky) is as new types of inventory become more popular or existing types evolve. We are currently seeing a rise in multiple ad experiences related to OTT television as streaming services (e.g., Hulu, Peacock, HBOMax) insert ads into ad-supported content and hardware manufacturers (e.g., Amazon, Roku, Samsung) insert ads into selection screens. Elsewhere, TikTok has announced a formalization of their on-platform advertising approach with TikTok for Business, Facebook is making changes to their content and ad policies in the face of massive pressure from marketers, and Google Chrome is sunsetting the third party cookie.

As marketers contemplate adjusting their buying mix based on these changes, a thorough analysis from the Brand Safety team on the pros and cons of each environment will be crucial. Consider an emerging offering like that from TikTok. The platform is red hot among consumers, especially in desirable, harder-to-reach younger demographic groups, and as they launch TikTok for Business they do so on the backs of excellent case studies around community engagement.

Given the relative newness of the platform and the incorporation of user-generated content, marketers must decide if this new channel represents a market inefficiency where they can catch lightning in a bottle for a relatively low price or if the newness of the offering represents a brand safety risk. As part of evaluating the opportunity, a marketer's Brand Safety team should be checking out the platform's approach to brand safety issues to ensure that the issues that are important to the marketer are covered in that approach.

This type of in-depth brand safety analysis of inventory sources shouldn't be limited to emerging sources but also to legacy options that experience significant changes. Facebook is currently perceived very poorly among marketers and will surely make a number of changes to their brand safety policies, processes, and procedures. Assuming those changes will be accompanied by positive press touting their new, safer environment.

Beyond the press release, those changes may be just what the doctor ordered or they may fall short of what some marketers may need to feel safe returning to Facebook. Only by completing

an in-depth analysis of any changes against the company's brand safety guidelines will a decision to return to Facebook or not be put in proper context.

Conclusion

The role of the Brand Safety Officer continues to emerge and will always differ depending on where in the supply chain a given BSO sits. One place marketers can extract value from their investment in brand safety is by ensuring that their brand safety professionals are leading, or at least providing an invaluable input into, the evaluation of the inventory they buy. The obvious benefit here is to avoid risk with current sources of inventory. The less obvious, but more valuable benefit from this analysis will be uncovering market inefficiencies and targeting opportunities that are undervalued in the marketplace while still maintaining brand safety standards.