

Report indicates impact of programmatic media buying on brand reputation

The Chief Marketing Officer (CMO) Council and Dow Jones have released a milestone report on the state of digital brand advertising, based on consumer response and marketer reactions to issues with automated ad placement.



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The research offers detailed findings on the impact of programmatic media buying and automated digital advertising placement on brand reputation, consumer perception and customer trust.

The findings call into question the merits and flaws of the \$40bn programmatic advertising market, especially the risks of digital display ads appearing alongside objectionable content. Notably, 72% of brand advertisers engaged in programmatic buying are concerned about brand integrity and control in digital display placement.

AdTech limitations have resulted in notable, image-sensitive brand ads appearing within or alongside hateful, derogatory and offensive rich media content, fake news, as well as non-contextual and inappropriate online channels. According to the new study, much of what will be discussed during this year's Advertising Week in New York City (September 25 to 29), will face new scrutiny, as brands and agencies alike call for tighter controls, greater visibility and a renewed commitment to brand safety and reputation management.

Brand Reputation Through Diligent Ad Channel Selection', provides valuable insights gathered from an online study of over 300 senior marketing decision makers, along with perspectives from among the CMO Council's 13,000+ members in 110 countries, controlling an estimated \$500bn in aggregated, annual marketing spend.

According to Zenith Media, programmatic ad spend has grown from \$5bn in 2012 to \$39bn in 2016, which is an average growth rate of 71% a year. It predicts a further 31% growth in 2017, making programmatic the principal method for trading digital display advertising this year.

However, big brand advertisers still have significant reservations. Nearly half of marketing respondents report problems with where and how digital advertising is viewed, and a quarter state they have specific examples of where their digital advertising supported or adjoined offensive and compromising content.

Annoying fans

The research was aimed at assessing the impact of digital advertising experiences on consumer perceptions and purchase intent. Part of the three-month discovery process looked at digital brand safety from the consumer's perspective and found that consumers are punishing even preferred brands if they do not use trusted media platforms or take active steps to control the integrity of their ad environments. The findings of 'How Brands Annoy Fans' goes on to reveal that nearly half of respondents indicated they would rethink purchasing from a company, or would boycott products, if they encountered that brand's ads alongside digital content that offended or alienated them.

Trust also emerged as a key issue for consumers when despite delivering the second most ad messages, social media was said to be the least trusted among the top five media channels. The majority of consumers (63%) said they respond more positively to the same ads when they find them in more established and trusted media environments. To answer this call for trust, marketers plan to respond by bolstering their guidelines and guidelines that will shape advertising placements moving forward.

Most notably, especially for the 100,000 professionals from the advertising, marketing, media and related creative industries convening in New York City this week, marketers are committing to taking the right steps to ensure the integrity of digital ad positioning and placement in safe and reputable content environments is a new client imperative.

"Our member research shows clients are going to be putting more pressure on their advertising and media buying partners to provide greater due diligence, control and monitoring when it comes to ensuring ad placement efficacy through automated platforms," notes Donovan Neale-May, executive director of the CMO Council. "They want to see greater ad spend effectiveness and better attribution from a performance measurement standpoint. They will also likely dictate which channels are pre-approved and also shift spend to those that are most trusted and proven."

Key findings

Findings from the CMO Council member survey reveal brand decision makers are focused on the following top five actions:

- Developing digital advertising guidelines for their agency and ad buying networks – 48%
- Relying on their media buying firm to better manage and control placements – 37%
- Tracking and monitoring digital advertising placements internally – 32%
- Moving to programmatic direct buys and private exchanges rather than bidding in open exchanges – 27%
- Developing whitelists of pre-approved publishing channels and reputable content/editorial channels – 24%

Topics

Areas and topics covered by the CMO Council/Dow Jones research report include:

- Level of marketing leader sensitivity and concern regarding digital ad content compromises.
- Plans and intentions to safeguard and protect brand integrity in digital advertising channels.

- Importance and value of content and channel to brand advertising effectiveness and message delivery.
- Measurements of harm or reputational impact on brands associated with adverse content.
- Incidence and nature of brand compromises in online digital advertising programs.
- Best practice approaches to assuring brand integrity in programmatic ad buys.
- Using digital advertising science to create greater brand compliance and accountability.
- Consumer and business buyer perceptions and reactions to brand misplacement in crowdsourced content channels.
- Impact on allocation and evaluation of media strategy, selection, spend and buying approach.
- Level of satisfaction with digital advertising effectiveness, economics, efficiency and transparency.

In depth interviews with marketing leaders from AIG, SAP, Lenovo, MGM Resorts, Reebok, Vera Bradley, Tumi Luggage and Morgan Stanley, and subject matter experts from Integral Ad Science and Ebiquity are included in the Brand Protection report.

Detailed summaries, charts and info graphics presenting findings from the survey of 300 global marketers in North America and the ROW are included in the full report. It will also feature the findings from the How Brands Annoy Fans consumer poll. For more information, click [here](#).

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