agof MARKTET SURVEY
BRAND SAFETY & BRAND SUITABILITY

RESULTS, CONCLUSIONS, WAYS FORWARD

BRAND SAFETY

Dear readers,

The topic of brand safety has come into the focus of the advertising industry in the wake of the corona pandemic. There has been significantly more public debate about the effectiveness of activities connected with brand safety. And in practice a certain sense of insecurity has even led to campaigns being discontinued as a precautionary measure because of advertisers' concern that harm might be done to their brands and reputation.

This is without doubt an unsatisfactory situation for all market players. There has so far been a lack of agreement on the way forward. Does the market need a binding set of rules for everyone? Should there be objectifiable criteria that go beyond the legal regulations? Can brand safety and brand suitability be ensured and enhanced with the aid of national regulatory measures or should market players be obliged to apply or adapt international standards?

To provide as differentiated an analysis as possible, agof, the German Association of Online Research, decided to carry out an empirical study of the entire subject of brand safety. The Commission Performance Values & Guidelines (KLR) at agof formulated a detailed specialist questionnaire for a wide range of interviewees, giving advertisers, agencies, marketers, ad tech providers and measurement service providers the opportunity to present their experience, opinions and points of criticism as well as specify any need for action.

As transparency is essential particularly when dealing with the topics of brand safety, agof decided to publicise the results of its market survey in addition to assessing them internally. All interested parties can thus access the identical results, which (it is to be hoped) will yield the added benefit of clearing up any misunderstandings.

In the last section of this booklet, we also look ahead and sketch initial conclusions as well as further measures for ensuring an effective (and uniform!) approach to the issue of brand safety.

Regards,

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Initial situation:

In order to draw up a **Code of Conduct for Brand Safety** and determine the general need for regulation, the agof Commission Performance Values & Guidelines (KLR) carried out a **market survey**, formulating a questionnaire covering **over 30 individual aspects relating to specific subjects**.

Target groups:

Advertising clients, agencies, marketers, publishers, measurement service providers and ad tech providers. All players in the advertising market could thus present their positions and practical experience in the context of the agof survey.

Range of market survey participants:

- Members of the German Association for the Digital Economy (BVDW)/ IAB Germany – associated particularly with the focus groups Digital Marketing Quality (DMQ) and Programmatic Advertising as well as the Specialist Group of Online Media Agencies (FOMA) and the Circle of Online Marketers (OVK)
- Advertisers represented in the Organization Advertisers in the Brand Association (OWM)
- agof members
- Organizations of the KLR Task Force Brand Safety participants

Field time:

- 09-23/06/21

Objectives of market survey:

- Analysing current attitude of market players
- Clarifying requirements
- Finding out how definitions are interpreted
- Reviewing awareness and deployment of brand safety instruments
- Dealing with brand safety in practice

Special features of survey:

- **Not representative** according to market research criteria, as e.g. the number of respondents was too low
- Anonymity and confidentiality were ensured on the part of agof
- Multiple responses were permitted
- Questions did not have to be compulsorily answered
- Comments/explanations were possible with some questions

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BVDW (German Association for the Digital Economy/ IAB Germany) and **agof** started the initiative **Certification of Performance Values (ZvL)** with the aim of improving the performance and quality of digital advertising. The different certificates are issued on the basis of standard criteria and following comprehensive inspection to various actors that use procedures complying with the rules and requirements agreed on by the players in the digital advertising market.

The principles for the issuing of certificates are formulated in the agof Commission Performance Values & Guidelines (KLR), which defines concepts relevant for advertising, sets minimum standards, initiates inspection processes and supports the procedure. As soon as all conditions are met, the KLR issues specialist approval for the presentation of certificates.

The KLR is supported by taskforces that contribute their practical expertise relating to specific subjects.

The **Taskforce Brand Safety** of the KLR has the function of spotlighting the problematic areas and requirements in the field of brand safety and image protection. Its goal is to establish definitions accepted by all market partners for the concepts of brand safety, brand suitability and legal safety, to ensure transparency of the measuring methods and reporting activities and to prescribe uniform and comparable minimum standards.

MISSION STATEMENT

KLR | Kommission Leistungswerte & Richtlinien

The Commission Performance Values and Guidelines (KLR) is an independent body of the German Association of Online Research, at which experts in various specialist digital marketing disciplines pool their expertise to develop quality assurance standards applicable across the market. Definitions and agreements are formulated to serve as a set of rules for the certification initiative of the German Association for the Digital Economy (BVDW)/ IAB Germany and agof. In the award procedure, the KLR is authorised to establish guidelines and also decides on inspection processes, commissions suitable auditors and finally issues approval for certification.

The KLR stands for transparency and comparability, as well as upholding the need to boost confidence in the digital ad environment. It does not restrict itself to any specific technologies and operates as a practically oriented and neutral body.

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„SIGNIFICANCE & NEED FOR ACTION"

SECTION 1

Brand safety and image protection play a key role for companies in their advertising communication. This is also confirmed by the agof market survey. Advertisers are without exception unwilling to make any compromises when it comes to brand safety and image protection.

How much importance does your company give to brand safety according to the definitions of legal safety and brand suitability?

Advertisers

100% important

Of the **marketers** interviewed, **89%** ticked "**important**" and **11%** "**rather important**".

The results were more mixed for the **media agencies**, brand safety being "**important**" for **78%** of respondents and "**rather important"** for **11%** and "**less important**" also for **11%**.

How has the relevance of brand safety developed in the last three years?

All market participants

increased	73%
remained the same (rather high)	20%
remained the same (rather low)	5%
decreased	2%

Increase in relevance for individual groups:

Advertisers	Marketers / Publishers	(Media) agencies
88%	69%	63%

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The assumption that sensitivity for brand safety is particularly prevalent in specific sectors was confirmed in the agof market survey. However, the responses of the survey participants also showed that the significance of brand safety across sectors was rated only occasionally as "rather low".
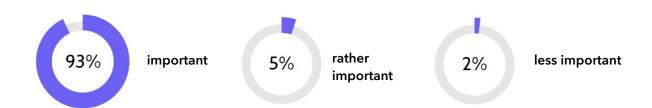
Significance of brand safety for advertising in various product categories:

■ no statement possible　　■ rather low　　■ rather high　　■ very high

Category	no statement possible	rather low	rather high	very high
Children	5			17
Health	5	2	7	15
Food	5	2	2	12
Travel	5	2	5	7
Beauty & Fashion	5	2	7	7
Automotive	7		7	7
Telecommunications	7		12	2
Sport	7		10	2
Technology & Computers	5	2	15	

Source: KLR Brand Safety Market Survey, June 2021, n=41 / results according to market research standard not representative / figures as percent

What role do legal aspects play in the assessment of brand safety?

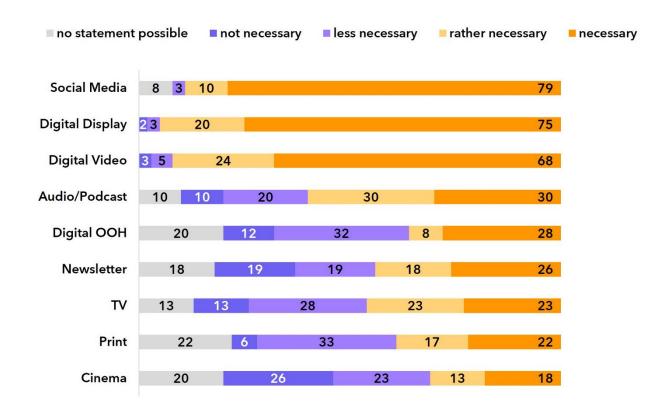93% important

5% rather important

2% less important

The **significance** of brand safety is high, and it has indeed increased significantly in recent years – particularly for clients but also for marketers, agencies and ad tech service providers. Everyone agrees that with the positioning of advertising the legal regulations must be followed and **legal safety** thus has to be guaranteed.

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What rules going beyond the legal provisions (e.g., relating to the protection of children and young persons or concerning sedition) are necessary in the context of brand safety? To be able to answer this question objectively, agof first needed to find out from the market participants the problem areas on which they mainly concentrate.

For which advertising channels is regulation or standardisation necessary with respect to brand safety?

	no statement possible	not necessary	less necessary	rather necessary	necessary
Social Media	8	3		10	79
Digital Display	2	3		20	75
Digital Video	3	5		24	68
Audio/Podcast	10	10	20	30	30
Digital OOH	20	12	32	8	28
Newsletter	18	19	19	18	26
TV	13	13	28	23	23
Print	22	6	33	17	22
Cinema	20	26	23	13	18

Source: KLR Brand Safety Market Survey, June 2021, n=41 / results according to market research standard not representative / figures as percent
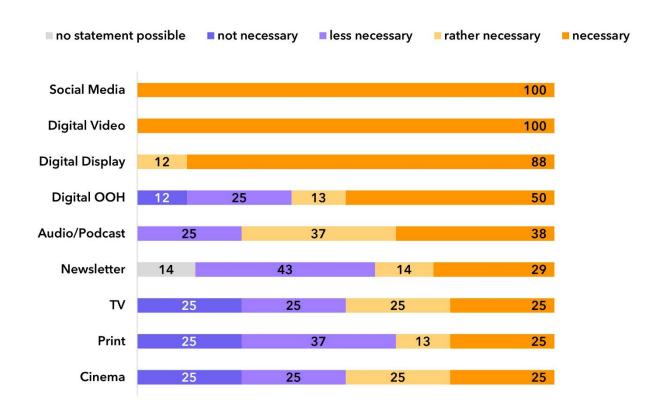
The reasons why the digital distribution channels head the rankings are complex. The variety of information offered by the internet and its international character certainly play a role, as do the increasing automation of booking processes and the composition of the group of participants, which are active mainly in the online area (which also explains the sometimes high number of responses in the field "no statement possible" for the rather "analogue" media).
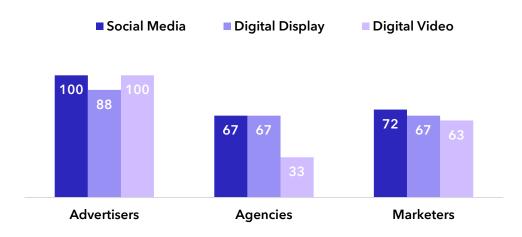
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Advertisers in particular understandably want to avoid harm being done to their brand and image profiles as far as possible. And as their opinion concerning the need for regulation is relevant financially, strategically and operatively for both agencies and marketers, it is worthwhile concluding with a channel overview solely from the client perspective.

For which environments do advertising clients want more regulation?

Legend: ■ no statement possible ■ not necessary ■ less necessary ■ rather necessary ■ necessary

Channel	no statement possible	not necessary	less necessary	rather necessary	necessary
Social Media					100
Digital Video					100
Digital Display				12	88
Digital OOH		12	25	13	50
Audio/Podcast			25	37	38
Newsletter	14		43	14	29
TV		25	25	25	25
Print		25	37	13	25
Cinema		25	25	25	25

Individual analysis of the "top three":

REGULATION IS NECESSARY

Legend: ■ Social Media ■ Digital Display ■ Digital Video

	Social Media	Digital Display	Digital Video
Advertisers	100	88	100
Agencies	67	67	33
Marketers	72	67	63

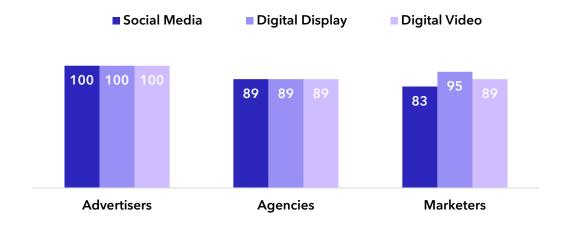agof

At first glance, there seems to be disagreement among the market players when it comes to assessing the need for action. However, the picture is different when we consider the accumulated responses ("rather necessary" and/or "necessary") (see chart on the next page).

REGULATION IS (RATHER) NECESSARY

■ **Social Media**　■ **Digital Display**　■ **Digital Video**

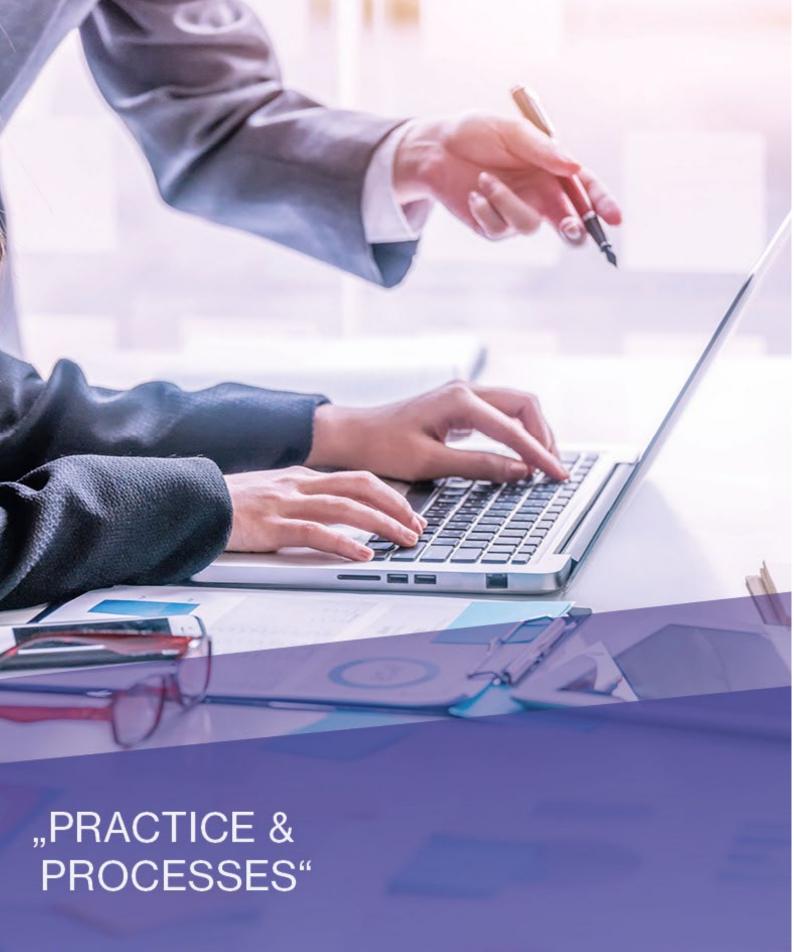|	Social Media	Digital Display	Digital Video
Advertisers	100	100	100
Agencies	89	89	89
Marketers	83	95	89

Incidentally, that marketers/publishers consider the need for regulation to be somewhat less important for social networks is connected with the fact that 17% of this group of respondents could not or did not want to make any statement.

The market survey clearly shows that there is definitely a **broad alliance for (more) regulation** and standardisation in the area of brand safety.

The issue is rather what **instruments** apply in practice or are used in the first place. This is considered in the next section of the agof market survey…
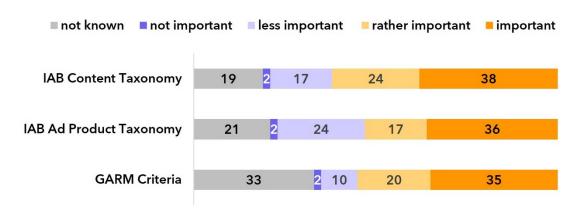
■ agof

„PRACTICE & PROCESSES"

SECTION 2

It is not entirely the case that clients, agencies and marketers have so far had to operate with brand safety and brand suitability in a vacuum: there have long since been international taxonomies and frameworks as well as other (technical) solutions for preventing the delivery of advertising to environments that might be harmful to brand and image profiles.

The agof market survey provides important information on where there is a need for clarification and where existing criteria might be regarded as inadequate or even irrelevant.
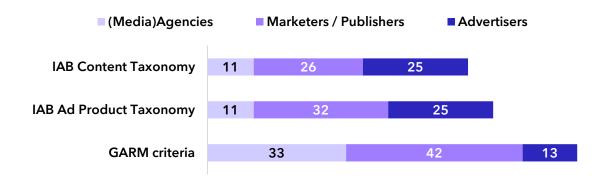
How relevant are existing brand safety taxonomies and frameworks?

Source: KLR Brand Safety Market Survey, June 2021, n=41 / results according to market research standard not representative / figures as percent

It is worthwhile analysing more precisely the high share of responses for "not known" among the various groups of respondents.
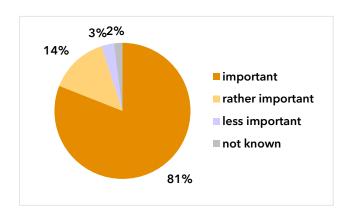
Lack of awareness of international taxonomies and frameworks in detail:
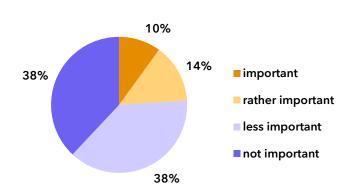
Apart from the taxonomies of IAB (Interactive Advertising Bureau) and the framework of WFA (World Federation of Advertisers), the relevance of blocklists as well as three main reasons for compliance with brand safety standards and the use of regulatory measures were surveyed.
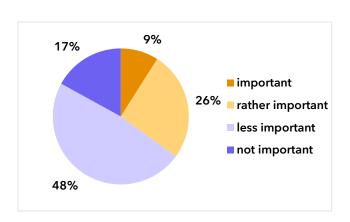
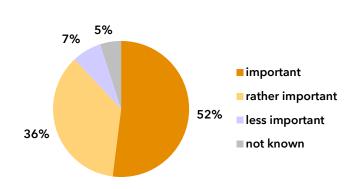### AVOIDANCE OF FAKE NEWS AND CONSPIRACY THEORIES

- important
- rather important
- less important
- not known

3% 2%
14%
81%

AVOIDANCE OF NEWS ENVIRONMENTS

- important
- rather important
- less important
- not important

10%
14%
38%
38%

AVOIDANCE OF COMPETITIVE ADVERTISING

- important
- rather important
- less important
- not important

9%
26%
17%
48%

BLOCK AND ALLOW LISTS

- important
- rather important
- less important
- not known

5%
7%
36%
52%

The issue of how reliable and effective the various instruments are in practice was deliberately not addressed in the market survey.

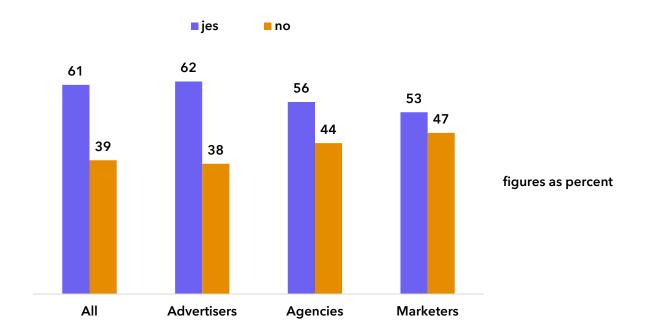The finding that 95% of respondents consider as important particularly the avoidance of ad environments in which fake news and conspiracy theories are disseminated is no doubt connected with experience made in the corona pandemic. On the other hand, most respondents did not share the concerns frequently expressed in public discussions that news environments basically represent a risk for brand safety.
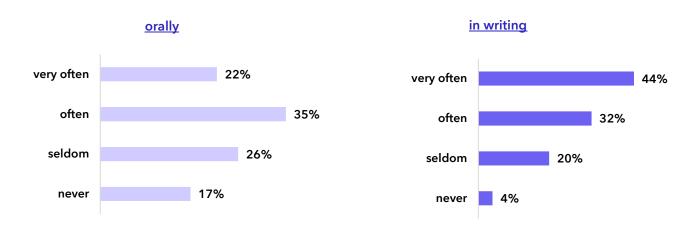
Objectives and expectations in working life can be met mostly only when processes are clearly structured, and communication is effective. That naturally also applies for measures for brand safety and brand suitability, which is why the agof questionnaire also covered basic information on handling procedures.

Is there a standardised process for the communication of brand suitability criteria?

■ jes   ■ no

	All	Advertisers	Agencies	Marketers
jes	61	62	56	53
no	39	38	44	47

figures as percent

How are brand suitability criteria communicated?

orally

very often	22%
often	35%
seldom	26%
never	17%

in writing

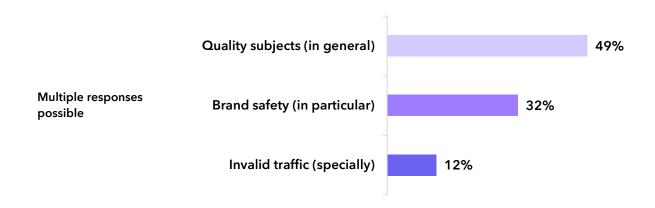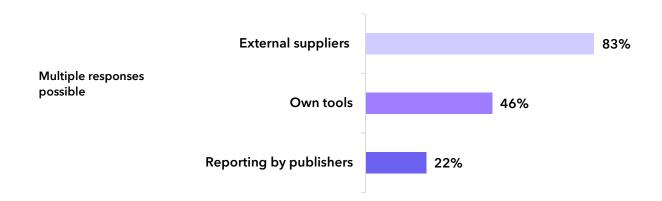|	
very often	44%
often	32%
seldom	20%
never	4%

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Whether rules and agreements are actually complied with depends mainly on two factors. Firstly, it has to be clarified who is concerned and thus responsible. Secondly, it is necessary to determine whether there are control mechanisms that are already effective with campaign planning or in the ongoing advertising process should (unexpected) problems occur with the implementation of the advertising.

As it is also the case in the digital world that not everything can be performed in an automated way, ensuring brand safety and brand suitability ties up resources. Some of the participants in the agof survey state that they accept these costs.

Is there a quality manager or a relevant position or department responsible for monitoring the delivery of campaigns?

Multiple responses possible

Quality subjects (in general)	49%
Brand safety (in particular)	32%
Invalid traffic (specially)	12%

How are campaigns monitored with respect to brand safety?

Multiple responses possible

External suppliers	83%
Own tools	46%
Reporting by publishers	22%

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As already noted several times, the results of this survey are not representative. It thus cannot be fully determined how frequently complaints actually occurred in the context of brand safety and image protection and how seriously brands might have been harmed. The responses received by agof indicate the actual situation as follows …

How often were there in campaigns complaints, problems and/or dubious implementations in connection with brand safety?

Legend: no advertising in channel / never / seldom / often / very often

Channel	no advertising in channel	never	seldom	often	very often
Social Media	32	13	25	15	15
Digital Display	10	5	60	20	5
Digital Video	7	12	64	10	7
Newsletter	44	31	23		2
Audio/Podcast	40	37	23		
Digital OOH	45	40	15		
TV	42	38	20		
Print	47	35	18		
Cinema	57	35	5	3	

Source: KLR Brand Safety Market Survey, June 2021, n=41 / results according to market research standard not representative / responses of interviewees given in percent

It is at any rate clear that even if risks for brand safety are not to be constantly found all over the place in Germany, every complaint is one too many.

The **practice check** also shows that there is room for improvement in the interaction of the market players, as it is still too often the case that processes are imprecisely defined and briefings are frequently carried out only orally.

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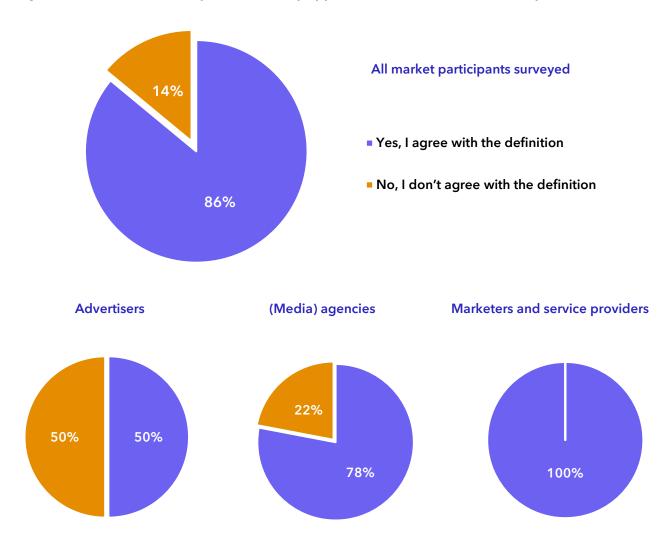# „DISSONANCES & STUMBLING BLOCKS"

SECTION 3

Even if the results of this market survey indicate that the implementation of brand safety is taken seriously and practised by all players in the advertising market, there are also certainly differences of opinion.

To find out the reasons for this, a part of the agof questionnaire dealt with the comprehension of concepts and definitions. And the survey clearly shows that many advertisers in particular interpret the hitherto accepted definitions differently from agencies, marketers and service providers involved in the process.

Agreement with the currently internationally applicable definition of brand safety

All market participants surveyed

14%

86%

■ **Yes, I agree with the definition**

■ **No, I don't agree with the definition**

Advertisers

50% 50%

(Media) agencies

22%

78%

Marketers and service providers

100%

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To clarify the reasons for the lack of agreement, the interviewees were requested to formulate their points of criticism, from which we have selected three statements that are exemplary for others. As the rejection on the part of advertisers was particularly high at 50%, the focus here is on their opinions.

For the sake of clarity, we first present the currently applicable definition …
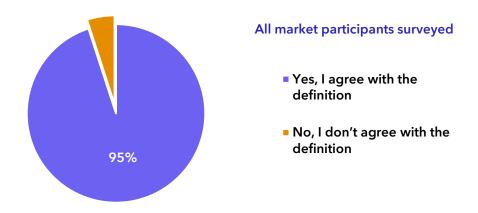
Brand safety refers to the implementation of advertising campaigns in environments that comply with legal regulations and are not harmful to brands. It serves to prevent and avert ad placements that would harm a corporate image and/or infringe legal regulations within an ad environment. The ad environment comprises the entirety of the content and advertising design of a web page/app. Brand safety comprises the two basic operating areas of legal safety and brand suitability.

Statements by the advertisers interviewed concerning the definition of brand safety:

"Brand safety and brand suitability are different subjects. One is not subordinate to the other."

"Legal safety and brand suitability are not subcategories of brand safety: brand safety is a third category in addition to legal safety and brand suitability."

"The implementation of advertising campaigns in environments that conform to legal and brand principles is termed brand suitability."

As there is obviously no unanimity on how to define brand safety, there is bound to be disagreement on how to assess the success of protective measures.

A positive aspect is that at least there is largely **agreement** on the definition of **legal safety**. The missing 5% is exclusively accounted for by the marketers and was (regrettably) not explained in detail.

All market participants surveyed

■ **Yes, I agree with the definition**

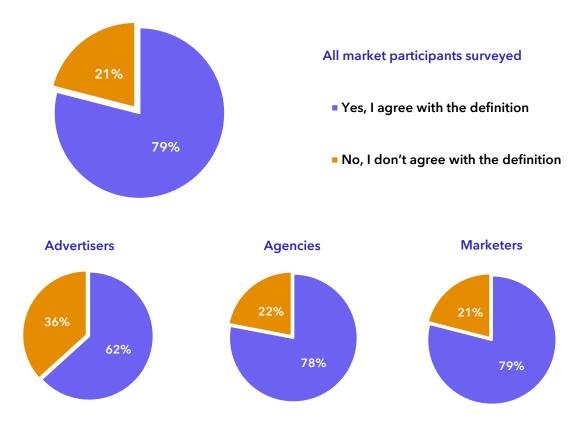■ **No, I don't agree with the definition**

95%

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While mainly advertisers did not entirely agree on the definition of brand safety, the market survey found a lack of agreement among all groups of participants on the currently applicable **definition of brand suitability** (see box).

Brand suitability comprises all individual, i.e. brand-specific, safety requirements of advertisers based for example on corporate identity, campaign or communication objectives going beyond legal safety. Brand-specific requirements can present the prevention of advertising being delivered within legally secure ad environments on the basis of the exclusion of content categories or domains. This involves an optional safety approach that can be made possible for advertising companies. Brand suitability extends the basic conditions of legal safety with the individual standards.

Agreement on this definition of brand suitability:

All market participants surveyed

- **Yes, I agree with the definition**

- **No, I don't agree with the definition**

21%
79%

Advertisers

36%
62%

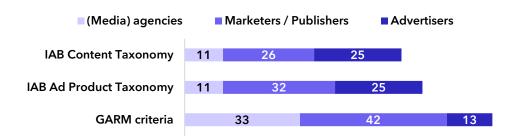**Agencies**

22%
78%

Marketers

21%
79%

The differences in appreciation also became clear with the comments on this definition. Thus, advertising clients interpreted brand suitability exclusively as the identification of ad environments that are particularly beneficial for their own brand. Other respondents (e.g., from the group of marketers) insisted that there also have to be objectifiable criteria for brand suitability (e.g., ensuring that ad environments are free of hate speech or racism).

A key conclusion of the agof market survey is that information is needed on the topic of brand safety. Some comments on the definitions suggested that their content is not completely known to everyone. In addition, throughout the sector there are obviously gaps in knowledge concerning existing brand protection instruments. Here are the findings once again:

Lack of awareness of international taxonomies and frameworks:

Legend: ■ (Media) agencies ■ Marketers / Publishers ■ Advertisers

	(Media) agencies	Marketers / Publishers	Advertisers
IAB Content Taxonomy	11	26	25
IAB Ad Product Taxonomy	11	32	25
GARM criteria	33	42	13

There is also evidence of a need for optimisation in the operating area. Briefing is performed much too often only orally, and **only about half of agencies and marketers** stated they could rely on **standardised processes** in connection with brand suitability. (The figure was as high as 61% among advertisers.)

Brand suitability criteria communicated orally:

57% **(very) frequently**

17% **never**

Different assessment of brand safety problem areas:

Apart from the differences with the interpretation of definitions as well as the variances in the assessment of the need for action for individual channels documented in section 1.2, the market survey showed differing points of view only in isolated cases.

Standards for avoiding ad environments in which fake news and conspiracy theories are disseminated are considered to be important by **88%** of advertisers and by only **67%** of agencies.	Avoiding news environments as a brand safety measure is rated "not important" by **47%** of marketers. On the client side, this assessment is shared by only **25%** of respondents.	In the area Digital Out of Home (DOOH), most clients support regulation (**50%** describing it as "important" and **13%** as "rather important"), while the agencies see no (**33%**) or only little (**58%**) need for action.

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„QUINTESSENCE & CONSEQUENCES"

SECTION 4

The Association for Online Research considers that this review yields a much more uniform picture than was originally assumed, although it is not to be denied that individual results are interpreted differently. And it can also be assumed that the particular perspective influences the aspects that are accorded special urgency.

Generally, however, it can be stated that all market participants regard brand safety and brand suitability as a key quality feature for ad environments. Advertisers encounter no opposition at all at agencies and marketers also when it comes to the implementation or operative realisation of relevant protective measures. Thus, the hurdles for effective solutions that are accepted by all market partners are certainly not insuperable and do not require any formula compromises.

For the members of the Commission Performance Values & Guidelines and the Task Force Brand Safety, the following findings are essential – and serve as basis for further steps:

1. The market survey clearly shows the increased relevance of brand safety and therefore as a consequence an increased need for action.

2. All market partners consider (more) regulation and standardisation to be necessary, with all those involved in the advertising process putting special emphasis on the digital channels social media, display and video.

3. As the currently valid definitions of brand safety and brand suitability are not completely accepted, a revision is necessary – particularly in connection with brand suitability.

4. There is insufficient awareness of the standards/instruments that exist internationally. Clarification seems to be required here. Moreover, a regional revision for Germany will be necessary.

5. The efficacy and reliability of the existing instruments cannot currently be assessed with any precision. There is a lack of comparable and verifiable quality criteria as well as clearly defined minimum standards.

What definite options for action can be deduced from the Brand Safety Market Survey, and what steps have priority for the Commission Performance Values & Guidelines?

Code of Conduct for Brand Safety

In autumn 2021, the KLR completed a study defining principles and criteria for dealing with brand safety in the internet. The voluntary commitment includes regulations for buyers, sellers, intermediaries and (content) verification as well as technology suppliers. The scope of this new Code of Conduct is not restricted to classic IO business but also covers every form of programmatic purchasing including delivery to websites, apps or platforms.

Parties that sign the Code of Conduct for Brand Safety agree to comply with the defined principles and obligations for their market area and also brief contractual partners accordingly.

The set of rules is currently being coordinated with all relevant organizations of the digital advertising industry for probable introduction in Germany in 2021.

Revision of existing definitions of brand safety and brand suitability

The Task Force Brand Safety has meanwhile drawn up formulation proposals accepted by all market partners and thus already considered in the Code of Conduct.

Formulating quality criteria for brand safety protective measures

KRL and the Task Force Brand Safety stipulate minimum requirements for products or tools used in connection with brand safety, with comparable and verifiable quality standards being defined that comply with the principles of the Code of Conduct for Brand Safety and also enable the certification of suitable brand safety instruments in future.

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German Association of Online Research

As Joint Industry Committee (JIC) of the leading German internet marketers, agencies and advertisers, agof sets standards and benchmarks for digital marketing, thus promoting the professionalism, quality and growth of the internet as advertising medium. Its work focuses on determining digital reaches and usage data for marketing digital services. It actively integrates requirements of the dynamically changing market in its range of services and orients its development towards this in a sustainable way, invariably acting independently of individual interests. Moreover, it supports the digital medium in important sector organizations, particularly for acceptable data protection for online marketing, in addition to supporting cross-border research standards at European level.

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