Dealing with the Media Trust Meltdown

eMarketer's co-founder, Geoff Ramsey, on what needs to be done

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The entire digital ecosystem is in crisis—a crisis of trust.

From issues of brand safety associated with the murkiness of programmatic, audience-based buying, to growing cries of "fake news," to undisclosed sharing of consumer data by unknown middlemen, to a slew of personal data breaches across the web, consumers have lost trust with marketers, media publishers and social platforms.

In this environment, marketers have plenty of reasons to worry about how their brands are being viewed.

Trust has eroded *within* the marketing community, too, as relationships between brands, agencies, publishers and ad tech players grow strained.

On May 16, I'll be speaking at an eMarketer morning event in New York City to offer my thoughts on the scope of the problem—and what marketers need to do to help fix it. However, since the event is an intimate one that's already over-subscribed, I wanted to share my viewpoint with the larger eMarketer community.

Let's start by examining the depth and breadth of the issue.

Consumers are more likely to trust banks—and even insurance firms—than marketing or advertising companies. That's according to a September 2017 PwC survey, which found that just 6% of US internet users said they trusted media and entertainment companies. Similarly, 6% said they trusted social media. But dead last was trust for marketing and advertising firms, at only 3%. Ouch.

Industries/Company Types that US Internet Users Trust, Sep 2017
% of respondents

Banks	42%
Hospitals	42%
Healthcare providers	39%
Insurance companies	26%
Nonprofits	24%
Government	23%
Utilities	23%
Information technology	21%
Professional services	17%
Pharmaceuticals	16%
Aerospace	14%
Food & beverage	14%
Online retailers	13%
Agriculture	12%
Energy/oil/gas	11%
Hotels	11%
Airlines	10%
Automotive	10%
Manufacturing	9%
Telecom	9%
Sports organizations	8%
Construction & real estate	6%
Media & entertainment	6%
Social media	6%
Startups	5%
Marketing & advertising	3%

Note: respondents chose their top 5
Source: PwC, "Consumer Intelligence Series: Protect.me," Nov 1, 2017

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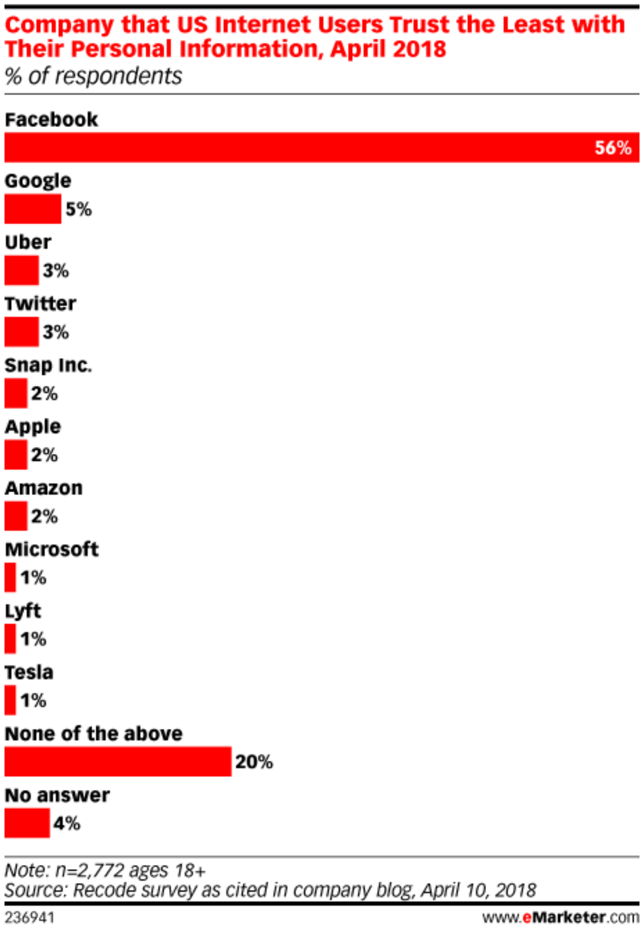
Meanwhile, “the media” is widely held in disregard. A March 2018 survey from Monmouth University found that 77% of Americans said they believe mainstream media reports fake news, with another 31% of respondents believing fake news is reported regularly.

A Gallup-Knight Foundation longitudinal survey revealed that overall trust in media declined by over 20 percentage points between 1997 and 2016—from 53% (a majority) to only 32%.

And the esteemed Edelman Trust Barometer reported in 2018 that roughly one in five consumers said media was the most broken institution in both the world and the US. (Notably, government fared far worse).

Recent headlines and a slew of research surveys suggest that Facebook has become in some ways the "face" of the problem. For example, a Recode survey conducted last month found that Facebook was rated by US internet users as the brand they would least trust with their personal information.



But there’s a paradox here: The brand consumers say they wouldn't trust with their personal information is, in fact, the same one to which they regularly hand over such data. And Facebook's usage and revenue figures don't appear to be hurting, despite its waning reputation as a brand.

That paradox might explain why marketers have been able to ignore, in the main, the crisis in trust.

But it’s a mistake to think—recent media headlines notwithstanding—that the trust crisis can be solved by any single player. This is an industrywide calamity that requires everyone in the marketing ecosystem to collaborate and be responsible for undertaking their unique, respective roles in resolving the problem.

Many have already taken action: Social media platforms are using technology and human labor to clean up their environments and better manage the partners with whom they share data; publishers are being more vigilant about eliminating and calling out fake news; government bodies are evaluating how to regulate the media and marketing industry, as exemplified by the EU's mandate for the General Data Protection Regulation (GDPR); and pioneering technology companies are building blockchain platforms to make media buying more transparent and accountable. All of these are viable solutions, and many will eventually chip away at the problem, but marketers should take the opportunity now to control their own brand destinies.

Here are three simple steps—out of a handful I will be discussing at the May 16 conference—that brands should take now to stem the tide of eroding trust.

No. 1: Take a flight to safety. Brands should take a more active role in controlling the context in which their ads and branded content appear. The rise of programmatic advertising—now accounting for 83% of display ad spending, according to eMarketer—has ushered in a new era of audience-based targeting while vastly expanding the scale at which brands can connect with consumers. But this has come at a cost.

As eMarketer analyst Nicole Perrin said recently in her report on brand safety, "The rise of audience targeting has allowed brands to follow their customers wherever they go—but that has led those brands into some unsavory places."

Marketers can do many things to ensure their brands appear in safe places. They can take programmatic media buying in-house, and insist that their agency partners shift their programmatic spend toward premium publishing partners through programmatic direct buys (vs. real-time bidding [RTB]) and private exchanges (vs. open exchanges), as many are now doing. They can also whitelist brand-safe websites, and blacklist unsavory or unknown ones.

According to a recent Advertiser Perceptions survey, 56% of digital advertisers have taken deliberate steps to improve the brand safety of their media buys, including whitelisting of approved sites. And we have also noticed that more brands are taking their programmatic buying in-house—although the portion is likely still under a third.

While the above measures have all been talked about in the marketing community, there is evidence marketers are mostly paying lip service to them. Many surveys show that while a majority of brands believe brand safety is of paramount importance, few marketers actually move their dollars around to ensure their campaigns appear in safe contexts. The allure of cheap impressions, an automated buying process, and precision ad targeting at a mighty scale often end up trumping brand safety values. The flight to quality will not be cheap or easy, but in the long run it will serve brands well. Pick your publishing partners carefully.

No. 2: Focus more on first-party data, and less on third-party data. Marketers, especially those in the consumer packaged goods (CPG) industry, have relinquished much control over their relationships with consumers by relying on powerful platforms like Facebook and Google, which account for the lion's share not only of digital ad revenues (57% in the US this year, per eMarketer), but also the data consumers share via their digital footprints.

Clearly, third-party data is addictive. But since providers of such data don't have direct relationships with users, they make inferences to build their data sets, and those inferences can be wrong. According to a survey by Digiday, 80% of advertisers admit that third-party data is unreliable.

Ultimately, what brand marketers need to begin doing is building their own direct relationships with consumers, thereby collecting the data directly and bypassing the platforms and other middlemen.

> "More and more [marketers] are selling directly. Once you start selling directly, you begin to understand what the real power of data is. It's all about the relationship."
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> RISHAD TOBACCOWALA
> CHIEF GROWTH OFFICER, PUBLICIS GROUPE

No. 3: Balance the tension between providing personalized customer experiences—including precision-targeted messaging and campaigns—and stepping into the zone of creepiness. Obviously, this is a tricky balance, and the fault lines will be different for different industries and brands. But if the focus is on using your data to delight the customer over time, as opposed to just making a quick sale, you will be headed on the right path. In survey after survey, consumers indicate that they will willingly provide information about themselves if they see a clear and immediate value exchange.

Marketers wanting to build trust will have to take the slow and steady road to personalization—gathering data incrementally, one bit at a time, and making sure that each time, they are rewarding the customer for their time, attention and trust.