Reddit partners with DoubleVerify to address brand safety concerns

Article





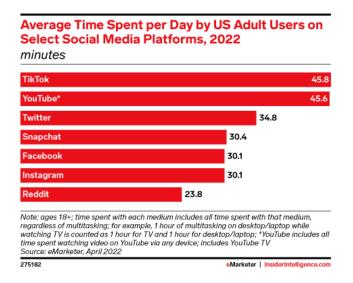
The news: Reddit is further fleshing out its ad business ahead of its <u>long-rumored IPO</u> via a partnership with marketing analytics company **DoubleVerify**. The partnership will bring ad measurement and fraud detection tools to Reddit's advertising suite, as well as brand safety services.





Ad platform obstacles: Reddit has some inherent strength as a platform for ads that other social media services lack, but issues like content moderation make developing an ad platform a complicated proposition.

- Reddit may have cleaned up its notoriously controversial communities over the last several years, but it is still a hotbed for conspiracies, misinformation, hate, violent footage, pornography, and other not-so-desirable communities that could scare advertisers away.
- The platform is clearly aware of this issue since both companies' announcements prominently address brand safety concerns. DoubleVerify's <u>announcement</u> listed "**Protect Brand Equity**" first among the new issues advertisers will be able to address through the partnership.
- Reddit lags behind other social media platforms in terms of <u>time spent</u> (although the number counts only logged-in users) which may make it less appealing for major advertisers, especially as the industry <u>slowly pulls back</u> on ad spending.
- The culture of Reddit is generally ad-averse, and if it doesn't implement its ad platform carefully so as not to disrupt its current user experience, those dedicated users could end up spending less time there.



Reddit's advantage: Unlike many social media platforms, Reddit's "subreddit" structure corrals users with shared interests into communities devoted to specific interests, making it easier to deliver relevant ads.

If you can think of a hobby, fandom, or niche interest, the odds are high that there's a subreddit full of dedicated users discussing it. That means Reddit could appeal to advertisers

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big and small, from major firms like streaming services to smaller, niche businesses.

- Those niche communities also make Reddit an excellent search engine. The platform often ranks high in Google search results, and users often flock to the site to ask specific questions or seek answers before making purchases—though Reddit will have to work to get those intransit users to make accounts.
- Reddit's ad revenues have been growing steadily. We expect ad revenues to reach \$421
 million this year and \$616.5 million by 2024. That's a significant increase but still puts Reddit behind the pace of most major social platforms.

The big takeaway: Reddit's new advertising partnership will help it address its long-standing brand safety issues, but it still has a long way to go if it wants to exploit its unique advantages among social platforms.



