

The Daily: How to make your brand the right amount of safe, vertical video ads for TV, and Hulu content on Disney+

Audio



On today's podcast episode, we discuss why social media platforms are less equipped to stop toxic content, the main ways AI will heighten brand safety concerns, and steps marketers can take to mitigate risk. "In Other News," we talk about whether brands repurposing vertical video ads for TVs can work and what Hulu adding its content to Disney+ means for the streaming universe. Tune in to the discussion with our vice president of content Paul Verna.

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Episode Transcript:

Marcus Johnson:

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Paul Verna:

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Marcus Johnson:

Hey gang, it's Thursday, April 18th. Paul and listeners, welcome to the Behind the Numbers Daily, an EMARKETER podcast made possible by Walmart Connect. I'm Marcus. Today I'm joined by our VP of Content covering advertising, media and technology based in New York. It's of course Paul Verna.

Paul Verna:

Great to be here.

Marcus Johnson:

Hey, fella. Today we're talking about how to keep your brand safe, and maybe not too safe, but we start of course with today's fact. Paul, male emperor penguins can go up to four months without food. Humans, scientifically speaking, it's three to four weeks tops. Realistically speaking, for most of us, maybe an hour before people start to break things.

Paul Verna:

Yeah, maybe. Maybe.

Marcus Johnson:

At most.

Paul Verna:

Maybe that's why they're called emperor, because they rule. Rule the not needing food.

Marcus Johnson:

They do rule.

Paul Verna:

Although, I'm sure there are animals that don't need food for longer periods of time, but four months is pretty impressive.

Marcus Johnson:

I tried to find it, and I spent long enough on this one, so I had to cut myself off, but that's a long time. Yeah. Can't go longer than 15 minutes without Stuart who runs the team and Victoria who edits the show talking about food. These two. Anyway, today's real topic, how to make your brand the right amount of safe.

In today's episode's, first in the Lead we'll cover brand safety. Then for In Other News, we'll discuss brands repurposing vertical video for TVs, and what happens now that Hulu content is on Disney+.

We'll start of course with the Lead. Paul, in your latest piece of research, you write that brand marketers face a perfect storm of reputational risks in 2024, a surge in ad spending you say in higher-risk digital channels, increasingly sophisticated AI tools, divisive political rhetoric, social platforms with lax content moderation, and incidences of ad fraud on CTV are conspiring to make this an unprecedented year for brand safety challenges. It's bleak.

But don't worry, marketer people, because in the report, Paul tackles social media platforms' current content moderation practices, how gen AI could damage your brand and recommend steps for marketers to mitigate risk. We'll talk about some of that today.

Paul, I want to start by citing one of the slides that reads, "Even amid brand safety scandals, Google and YouTube combined for sustained year-on-year worldwide ad revenue gains." So brand safety scandals are happening, the big digital giants are still making tons of money, so

my first question is how much can brands really care about brand safety when it comes to advertising on the leading digital platforms?

Paul Verna:

In the past, brands and these big platforms have basically looked the other way. They've waited for the furor to die down and then they've resumed business as usual. That may happen again this year, but part of the point of this report was to advance the argument that this year is a bit different and that the risk will be heightened and the brands should be extra careful.

Marcus Johnson:

Yeah. You have some excellent research in here, and one of the points you make is showing what has happened in terms of brand safety and just how the digital giants really just haven't skipped a beat.

Google and YouTube, in 2015 ads from top brands ran next to ISIS recruitment videos. The next year they made \$9 billion more than 2015. In 2017, The New York Times reported that objectionable content made its way to YouTube Kids. The next year, YouTube made 12 billion more dollars in 2017, so it just seems to not be having much of an effect at all.

Paul Verna:

There's a slide that looks at Twitter slash X, and I think these issues have had more of an effect on the company's bottom line.

Part of the reason for that, or maybe most of the reason, is that Twitter has been less essential. It's a lot smaller, and I know we've talked about this on the podcast, marketers generally perceive Meta and Google and YouTube to be absolutely essential to their marketing plans, Twitter less so. So that's where we see the hit taking place, and I think it's maybe coincidental that Twitter has devolved into basically a no-moderation zone.

Marcus Johnson:

Yeah. Yeah. I mean, it really comes down to how much are you relying on those platforms for your ad dollars, and Google, for a long time it's been about 25% of the digital pie, and Facebook Meta has been for a long time 20% of the digital pie, so that's half right there of

digital pie. Whereas Twitter X was 1 or 2%, now it's closer to half percent because of everything that's been going on when Elon Musk took over.

But yeah, to your point, it's not affecting the big players. Facebook, another example, the Cambridge Analytica scandal where data was improperly obtained from tens of millions of users happened in 2018. The next year, Facebook made 15 billion more dollars than it did in 2018.

But Paul, you write in the piece as well that social platforms are less similar to Facebook, Instagram, Twitter, X, YouTube. Social platforms are less equipped to stop toxic content than they were four years ago, interestingly. How come?

Paul Verna:

Well, for one thing, this cycle of scandals sort of blowing over has made them care maybe a little bit less because I think they make pronouncements about moderation, but at the end of the day, their business is going to be okay. So I don't think they really make as much of a concerted effort as they did when some of this stuff was new and shocking. And that wasn't four years ago, that was maybe in the mid-teens, but still, I think there has been a sense that they've kind of gotten used to riding it out.

Marcus Johnson:

Mm-hmm. Yeah.

Paul Verna:

Another thing is that the scale of content on these platforms is so enormous, we've talked about this before as well, that the challenge of moderating content, basically whack-a-mole, there's always going to be something new. And I think AI now has injected a whole new level of uncertainty.

So for a lot of those reasons, I think that the platforms have essentially are still doing a lot, but they're also kind of taking a little bit of a step back. They also know, frankly, that compared to X, they're always going to look good at this point, so yeah, so that's maybe a small part of the reasoning as well.

Marcus Johnson:

Yeah. You just have to be the person who runs faster than at least one person if you're trying to outrun a lion or a bear or whatever. Along as someone's at the back, you're in pretty good shape.

I mean, you talk about how much content there is on these platforms, and I went and looked for this figure, and I shouldn't have gone and looked for it because it's in your report, but you point out that it's mainly user-generated content on social platforms. And as of June of 2022, over 500 hours of new videos uploaded to YouTube every minute, and that 70% of the country are watching YouTube. So a lot there.

And then as you mentioned, they've kind of gotten away with it. These things have kind of blown over, these scandals, with directional content being placed alongside ads. And the dollars continue to kind of pour in. Way more total ad dollars going to social platforms. The share of dollars is the same as 2020 in terms of the share of budgets going to social ad dollars from overall ad budgets. But the number of dollars has doubled. Advertisers are expected to spend close to \$990 billion this year on social media ads.

Paul Verna:

Yeah. And I think we might've had a somewhat different scenario if this election had been held two years ago, because at that time, Meta was really hurting as a business, as an ad business, and Google was not doing as well as it had done other years.

So it was basically a down year for digital advertising. You had the whole privacy reset, you had all sorts of economic issues. So maybe if this had happened then, they would've taken some more steps to try to shore up their moderation, thinking that that would be another hit on their business.

Marcus Johnson:

Yeah.

Paul Verna:

But I think they're riding high again, and I don't think they're particularly concerned about what's going to happen, even though I think they should be and I think brands should be.

Marcus Johnson:

Yeah. I mean, well, to your point about had this election happened two years ago, something else that would've been different is generative AI wouldn't have been in the public consciousness as much as it is now.

And so that said, it is, came out about a year and a half ago with ChatGPT from OpenAI. So in the piece, Paul, you talk about some of the main ways that AI will heighten brand safety concerns. What are some examples?

Paul Verna:

Well, I think some of them are pretty obvious, like the deepfakes, and we've already seen that kind of start up in this election cycle. We've had deepfakes for a long time, but those tools have been democratized and they're much more sophisticated, they're at basically everyone's fingertips.

Marcus Johnson:

And by deepfakes, are you talking about not just visually, but also in terms of audio?

Paul Verna:

Right. Audio.

Marcus Johnson:

Yes. Okay.

Paul Verna:

Yeah. In fact, audio can have so much of an impact. I mean, it's easier to produce in terms of creating something persuasive. I think with video, more people are going to scrutinize it a little bit more closely, but audio is a lot easier to do that with.

Again, we've had these tools for a long time. Look at this podcast. I mean, the fact that you make me sound smart, I mean, that's a miracle of technology.

Marcus Johnson:

Victoria tries to.

Paul Verna:

But I think again, all of this has been elevated to a level that we haven't seen before. So we are in an unprecedented situation when it comes to generative AI.

Marcus Johnson:

And the stakes are just higher, aren't they? You have this example that in your piece in January, the fake robocall from President Biden urging New Hampshire residents not to vote in the state's democratic primary.

And so a lot of this stuff is as soon as the genie's out of the bottle, it's hard to put it back in again. And this is one of those examples where all you've got to do is sow confusion and problems already kind of out there in the ether.

And it seems as though also perception is reality. And so you have some stats in here. "Over half of Americans expect misleading uses of AI to increase this year," according to UChicago Harris and Associated Press poll. Another one, "Three in four Americans are concerned AI tools will be used to create deceptive political ads," according to MITRE or M-I-T-R-E and the Harris poll.

And so people are already thinking about it. It's similar to consumer confidence as we've seen. It doesn't really matter if the economy's doing well if consumers still feel like the economy isn't doing well.

Paul Verna:

Exactly.

Marcus Johnson:

Yeah. Well, you end the piece, Paul, with a number of steps that marketers can take to mitigate risk. Do you want to give us two of the many that you have in there?

Paul Verna:

I would say that marketers should definitely audit their brand safety protocols, and that is a process of basically looking at your keyword exclusions, updating them, check all other filters that may present risk, and just take a fresh look at them given this climate that we're in.

And the other thing that I think is important is to have a crisis response plan in place, and that includes looking at all stakeholders in the company, including the board of directors, the

executive team, communications, marketing, IT, anticipate worst-case scenarios and be ready to act on it decisively.

So this is something that some companies do, some companies don't, but I think it's especially important to have that plan in place, and also to give it a fresh look because it might be something that you've had in place for a few years, but maybe doesn't account for the speed of AI or some of the other things that might happen this year.

Marcus Johnson:

Yeah. Yeah, I'm glad you mentioned this one. This one was my favorite. Don't get caught flat-footed. Make sure that you have a plan so that when something does happen, you can just jump into action.

There's tons more in the full report. It's called *Brand Safety 2024, How to Protect Brands From AI Risks, CTV Ad Fraud, Misinformation, and Worse*. You can click the link in the show notes or you can head to [emarketer.com](https://www.emarketer.com) if you are a PRO+ subscriber.

All right, time for the fourth quarter of the show today, *In Other News*. Brands repurposing vertical video ads for TVs, and Hulu content joins the Disney+ app.

Story one, TelevisaUnivision will let brands repurpose vertical video ads for TVs. Note, our briefings writers, Daniel Konstantinovic and Jeremy Goldman, they explained that this feature lets vertical videos from platforms like TikTok, Instagram Reels, and YouTube Shorts be displayed alongside TV shows and live events.

The repurposed ads will appear during live content, taking up one half of the screen while the broadcast plays next to it, the TV broadcast that is. But Paul, what do you make of this new offering?

Paul Verna:

I think it makes sense. We're already seeing a lot of citizen journalism news clips that are vertical on traditional or connected TV, and we're also seeing more ads take up a part of the screen, which I think can be very effective, especially in sports content, live sports.

I'm a little dubious though about the half of the screen, and maybe this is just a math problem, but if you have a 16 by 9 aspect ratio, or some TVs are even wider, I think the verticals should take up more like a third of the screen.

Marcus Johnson:

No, that's a good point.

Paul Verna:

And again, my math might be off. Half seems like a lot, and half also doesn't leave as much for the program to continue.

Marcus Johnson:

Yeah.

Paul Verna:

So I think if the vertical ad sits sort of along the right or along the left and you've got more of the screen taken up by the actual program, that might be more acceptable to users than half the screen.

But with a lot of these things, it really comes down to the execution, how it's done, when it's done, how long is the ad running for? Are they being careful about when they cut into the ad? Which that doesn't always happen.

But clearly, TikTok, Instagram Reels, YouTube Shorts, Snapchat, these are all mobile-only or mobile-dominant formats. So much video is being created for them and a lot of it fits right into marketers' plans in terms of serving ads along content.

Marcus Johnson:

I think you're right there in terms of half-and-half, but maybe they will have the video will be, to your point, more like a third and then they'll have a sliver for a brand graphic perhaps, and then the other half will be the content. So interesting to see how they execute it. But yeah, you're right, the proof will be in the pudding.

Story two. Hulu content joins the Disney+ app. When folks access Disney+, they now see a Hulu tile next to other Disney content tiles like Star Wars or Pixar, National Geographic, there'll be one that says Hulu. But Paul, what does this mean for Disney, and also what does this mean for the video streaming market as a whole?

Paul Verna:

Well, I think Disney is simply trying to make the platform stickier, and they already have this Hulu content, so in a sense, it doesn't really make sense to disassociate them into completely separate apps. I think it makes more sense for viewers of one to see the other, and I think it's all about engagement. They're really trying to consolidate more viewing.

A long time ago in one of our prediction episodes, I think I made a prediction that Disney might discontinue Hulu. So this is not what's happening, but folding this content together and making it available within the same app, it does kind of reduce some of the daylight between these apps and people might start seeing Hulu more as part of Disney.

Marcus Johnson:

Yeah. They need to do something it seems, because subscriber growth was struggling. We forecast that it was going to drop this year. 103 million Americans watching Disney+ this year, that's down on last year. And also Hulu, 123 million people watching that, that also down this year versus last year. We're expecting a rebound next year. And then also, time spent on both platforms is pretty flat.

The other thing here, Paul, is what does this do to the brand? Because it's got some new colors. And in welcoming Hulu content to Disney+, the app's refreshed the logo, going from the classic Disney blue to more of a sea green as a nod to Hulu's colors.

However, David Pierce of The Verge thinks that it's kind of intense, and the new animation has a dark background giving way to a flash of light which is almost ominous, but he says it does resolve into a nice, warm, kind of glowing logo, so eventually it's good feelings all round, but that might change the feel of Disney.

However, one good part of it is they'll be able to stand out a bit more. He points out that Disney's app will now be able to stand out from the crowd, getting away from all the other blue apps on your CTV or phone, Facebook, Venmo, LinkedIn, Zoom, the App Store, Waze, Shazam, Chase Bank, et cetera.

Paul Verna:

That's interesting. I have not seen the implementation of the logo, but I think messing with your colors or with your logo, you got to do that very, very carefully, so be interesting to see how that plays out.

Marcus Johnson:

Yes. That's all we've got time for for this episode. Paul, thanks for hanging out today.

Paul Verna:

My pleasure. Thank you.

Marcus Johnson:

Pleasure's all mine. Thanks to Todd who's editing today's show, as Victoria is still on vacation. Thank you to Stuart who runs the team and Sophie who does our social media. Thanks to everyone for listening in. We hope to see you tomorrow for the Behind the Numbers Weekly Listen, the EMARKETER video podcast made possible by Walmart Connect.