

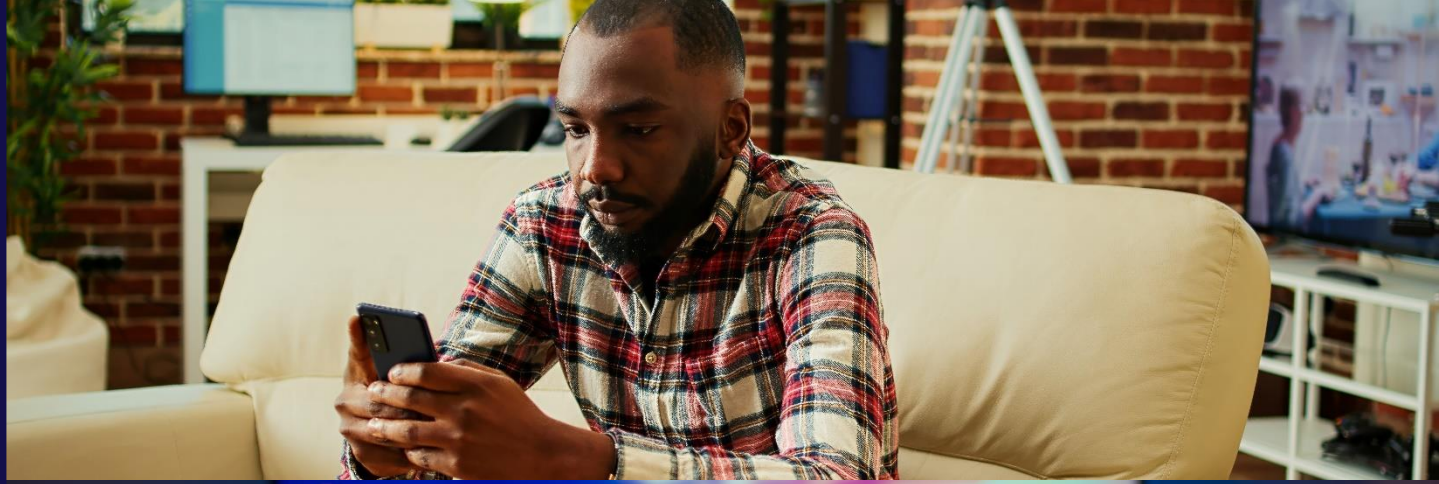
Fast Facts



What you need to know about new & emerging trends, platforms or technology

The Consumer Connection

Understanding the Effect of Quality Across Media Platforms





The quality of content & advertising environments affects consumers' perception of brands

Consumers care deeply about the quality of content and their advertising experiences when it comes to brand consideration. Although they may spend time on a media platform, the time they spend doesn't necessarily translate positively towards how they view the advertising or its' advertisers.

For instance, the **business practices and lack of transparency of social media platforms and digital ad-tech walled gardens** have created environments that consistently frustrate and annoy their own user base which affects the advertising experience and, in turn, can negatively impact its' advertisers in the eyes of consumers.

Quality has a major impact on consumer perception of brands and **there is a noticeable 'halo effect' created by aligning with high-quality video content**. The positive advertising experience that premium video platforms provide engages consumers which increases brand reputation, memorability and purchase intent.

What is quality and why does it matter?



High-quality content environments with relevant ad experiences grab consumer attention and retain audiences



Indicators of a Quality Viewing Environment

- 1.** The channel's main formats can deliver **high levels of eyes-on-attention.**
- 2.** The programming or content the ads sit around is of **sufficient quality to attract and retain the audience for a long period.**
- 3.** The channel offers the **opportunity to place an ad next to thematically relevant content** or programming, and the scale of that opportunity.

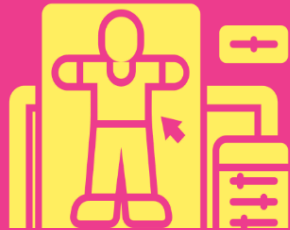
Source: WARC, *Fragmentation forces media planners to rethink the founding principles of their craft*, per Zenith research, Jan 2023.

Premium video environments have specific characteristics that differentiate them from lower quality platforms

What differentiates premium content found on TV in all its forms from user-generated content (UGC) on digital platforms?



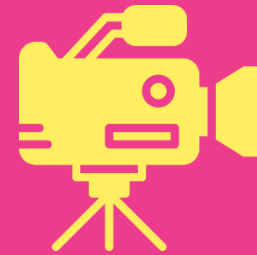
Content Duration



**Complex
Character
Development**



**Emotional
Storytelling**



**High Production
(e.g., multiple
camera angles)**



**Brand Safe
Environment**

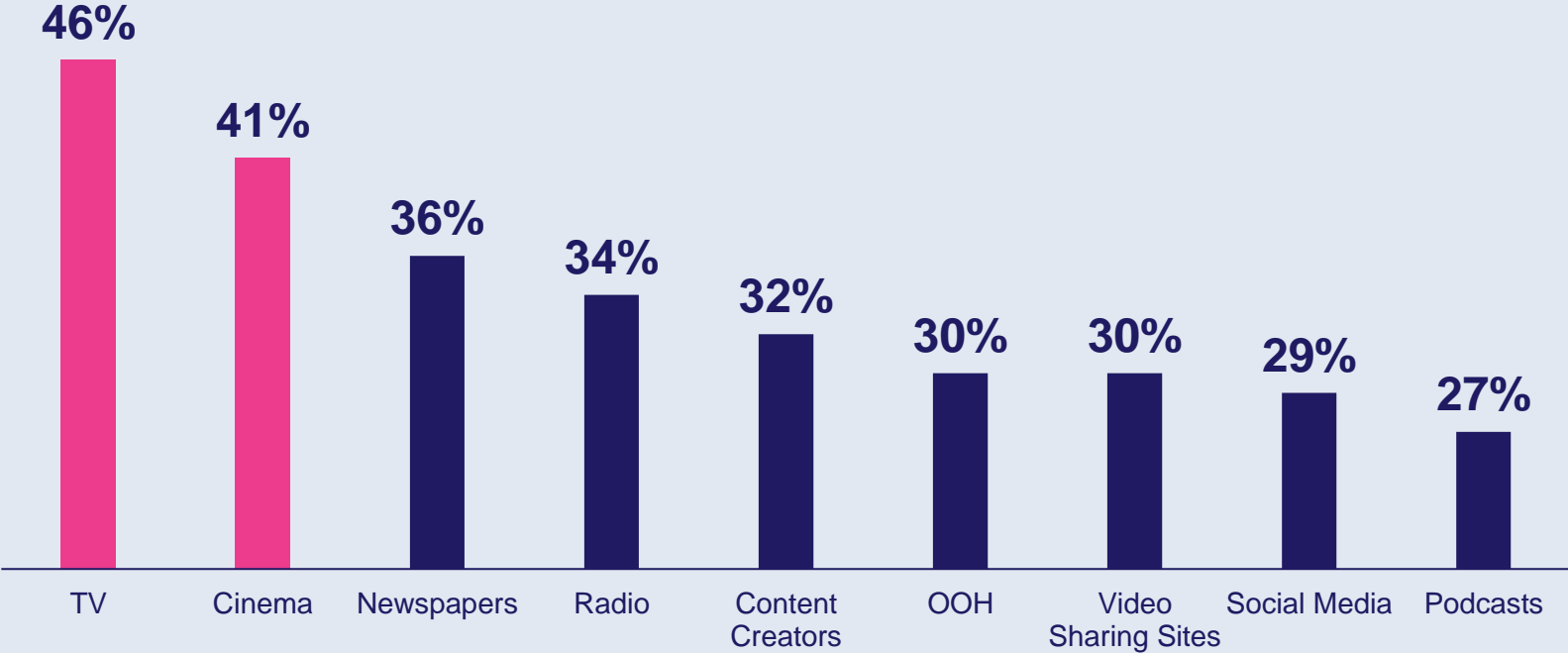
The 'halo effect' of high-quality video content creates a much more positive impact on consumer perception of its advertisers vs. digital platforms

Media signaling:

The perceived cost and scale of an advertising channel that can **enhance brand attributes** in the eyes of the consumer.

Signaling determines a platform's ability to strengthen brand perception in terms of its **financial footing, popularity** and **degree to which it could be trusted**.

'Signaling strength' by channel



How to read: 46% of respondents believe TV advertising enhances a brand's attributes

Source: WARC, *Why media quality will take centre stage in 2024*, 1/22/24.

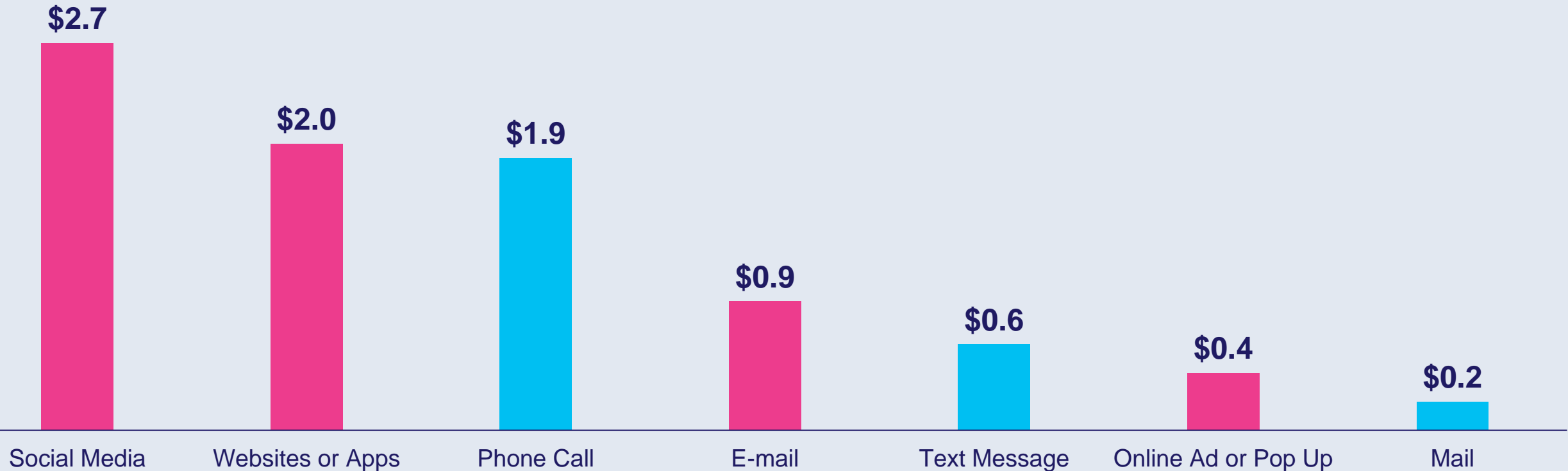
**Why is consumer perception of ads
on some digital platforms so low?**



Digital platforms have become rife with consumer scams as over \$5 billion has been reported in fraud losses across a two-and-a-half-year period

Reported consumer fraud losses

Jan '21 – June '23, dollars in billions



Source: U.S. Federal Trade Commission, Reported consumer fraud losses by contact method, Jan '21 – June '23. Magenta reflects digital ad platforms.

Most of these scams and schemes are based on tugging at the hearts, minds and wallets of their own unsuspecting users

U.S. consumer fraud due to scams originating on social media

Jan '21 – June '23



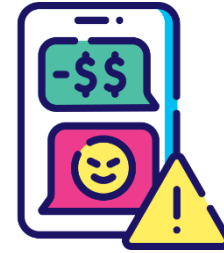
53%

Investment-
related



14%

Romance
Scams



8%

Online
Shopping



27%

Other

Source: Reported consumer fraud losses by contact method, Jan '21 – June '23, U.S. Federal Trade Commission.

Social media platforms and digital ad-tech walled gardens have a long track record of treating their users badly for their own financial gain

Violation of User Privacy

engadget

December 28, 2023

Google agrees to settle \$5 billion lawsuit accusing it of tracking Incognito users

CPO
MAGAZINE

August 30, 2023

Despite Fines and Major Platform Changes, YouTube Still Violating Child Privacy by Serving Targeted Ads

The New York Times

May 22, 2023

Meta Fined \$1.3 Billion for Violating E.U. Data Privacy Rules

The Facebook owner said it would appeal an order to stop sending data about European Union users to the United States.

ANDROID AUTHORITY

November 13, 2023

YouTube facing criminal 'spying' charges for ad blocker detection

MEDIANAMA

August 6, 2024

US Government Files Lawsuit against TikTok for Violating Children's Privacy Law

Harmful User Experiences

MediaDailyNews

November 14, 2023

Meta, YouTube And Other Platforms Must Face Lawsuit Over Harm To Teens

Mashable

January 23, 2024

'Shark Tank' keto gummies are a scam. Yet, Google keeps letting scammers run search ads.

Mark Cuban says he gets emails from victims begging for help with fake products like these.

CBS NEWS

December 14, 2022

TikTok pushes potentially harmful content to users as often as every 39 seconds, study says

CITYA.M.

February 7, 2024

'About a third' of Facebook Marketplace listings could be scams, MPs told

THE WALL STREET JOURNAL.

September 14, 2021

Facebook Knows Instagram Is Toxic for Teen Girls, Company Documents Show
Its own in-depth research shows a significant teen mental-health issue that Facebook plays down in public

BUSINESS INSIDER

July 28, 2014

OKCupid Admits To Purposely Giving Users Bad Matches In Site 'Experiment'

PHYS.ORG

May 12, 2023

New research exposes the dark side of social media influencers: Facilitating counterfeit trade

HARVARD T.H. CHAN

SCHOOL OF PUBLIC HEALTH

December 27, 2023

Social media platforms generate billions in annual ad revenue from U.S. youth

Google and Meta are each embroiled in costly legal battles over several antitrust and privacy issues that have affected their own users



December 30, 2023

Google settles \$5 billion lawsuit alleging it tracked 'incognito mode' activity



December 15, 2023

Google will face a class-action antitrust lawsuit from small advertisers



January 17, 2024

Walmart, Tinder say Meta placed ads next to 'clearly illegal' content



December 23, 2022

Facebook parent Meta agrees to pay \$725 million to settle privacy lawsuit



January 18, 2024

Unredacted complaint alleges Meta knew of 'huge volume' of child sexual harassment on its platforms

Bioethics.com

October 24, 2023

Meta Accused by States of Using Features to Lure Children to Instagram and Facebook

Forbes

May 20, 2022

Google Pays \$391 Million To Settle Location-Tracking Lawsuits

The prevalence of ad fraud, which is driven by a lack of transparency, also negatively affects the consumer experience across digital platforms

% of Global Digital Ad Spend Lost to Ad Fraud in 2023
by platform



22%

of digital ad spend



30%

of mobile ad spend

Source: Juniper Research, *Quantifying the Cost of Ad Fraud: 2023-2028*, 9/26/2023. Download VAB's marketer's guide '[Hidden Costs](#)' to learn more.

Transparency issues and ad fraud often means that video ads will appear in cluttered, low-quality digital advertising environments

Examples of ads running in subpar placements



In a small corner or side of a page



In a fully muted video player



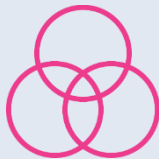
With little to no video content between consecutive ads



'Auto-plays' without any user interaction or initiation



Ad plays continuously on a loop



Multiple video ads playing simultaneously on the same page



The 'skip' button on a video ad is hidden or obscured



Runs out of sight while the audio plays

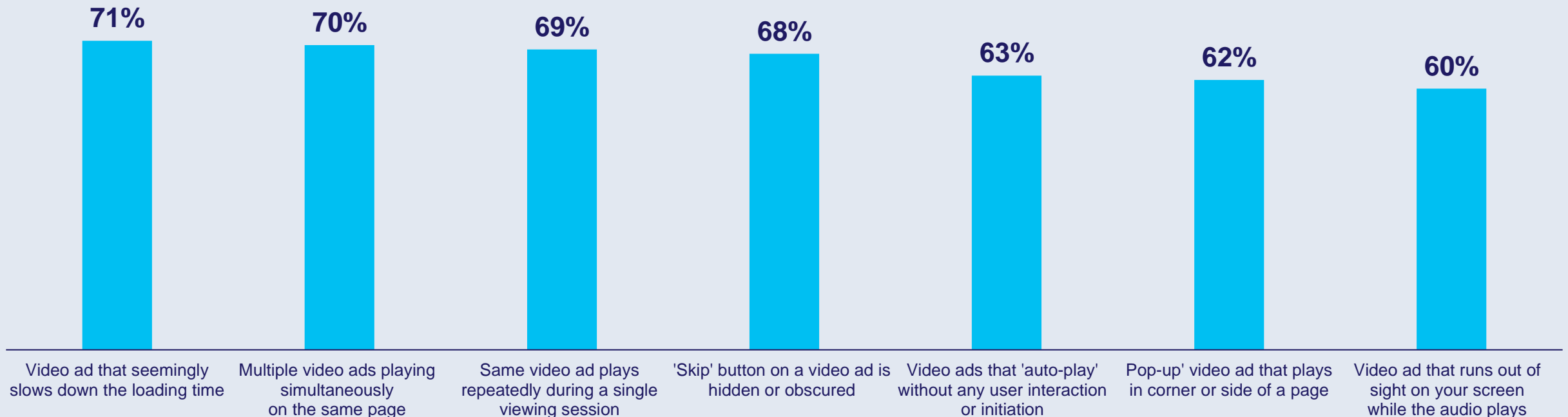


Ads served "stacked" on top of another ad

Download VAB's marketer's guide ['Hidden Costs'](#) to learn more.

Low-quality advertising environments lead to high consumer annoyance for many types of these subpar video placements

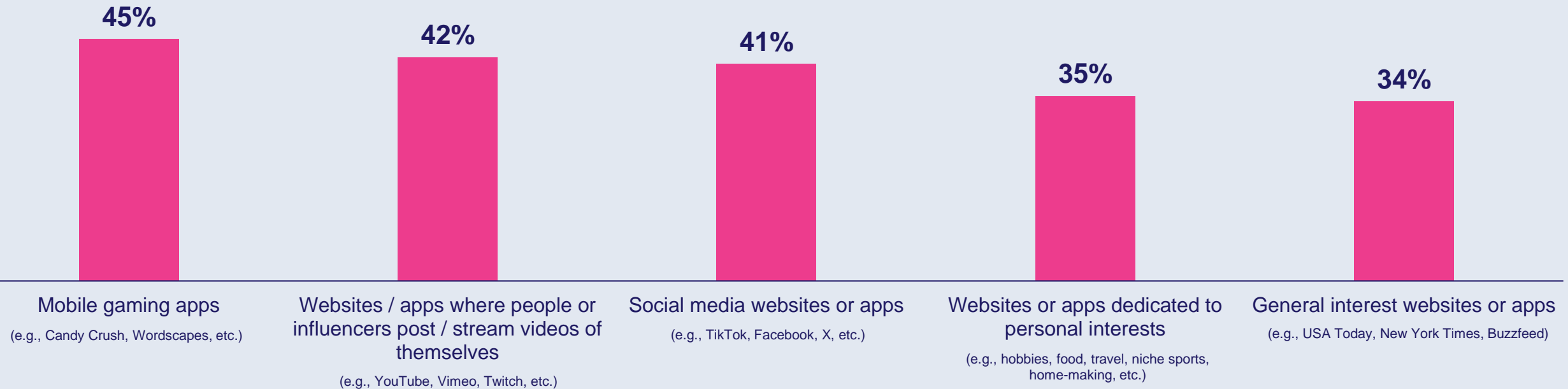
% of respondents who find the following ad experiences 'annoying'



Source: VAB custom research fielded by Hub Entertainment Research as part of the 2023 *Conquering Content* report. Data sourced from Hub's survey of 1,600 TV consumers, ages 16-74 who meet the following criteria: watch at least one hour of TV / week, have broadband access / U.S. Census balanced. Data collected October 2023. QVAB1: Thinking of when you use your computer or mobile device to visit websites or apps, how do you feel about your experience with the following types of video ads?

This annoyance extends across digital platforms and affects a significant number of their own users

How often do you find yourself feeling annoyed / frustrated with the video ad experience on the following platforms?
% of respondents who answered 'always' or 'frequently'



Source: VAB custom research fielded by Hub Entertainment Research as part of the 2023 *Conquering Content* report. Data sourced from Hub's survey of 1,600 TV consumers, ages 16-74 who meet the following criteria: watch at least one hour of TV / week, have broadband access / U.S. Census balanced. Data collected October 2023. QVAB2: How often do you find yourself feeling annoyed / frustrated with the video ad experience on the following platforms?

An annoying, low-quality advertising experience devalues a brand and negatively affects its reputation among consumers

% of respondents that agree with the following on digital ads



86%

Too many ads on a webpage makes them feel overwhelmed and **more likely to ignore the advertisement**



72%

Annoying or intrusive ad experiences have **negatively affected their perception of a brand**



66%

Annoying or intrusive ad experiences make them **less likely to purchase from that brand in future**

Source: YouGov / Picnic, Ad UX Survey, 2023.

Consumer annoyance also leads to advertising avoidance through the adoption of ad blockers which can hinder campaign reach



Ad blocker rates by device

20% use an ad blocker while browsing the internet

27%

Enable an ad blocker while on a desktop*

22%

Enable an ad blocker either on a mobile device, tablet or connected TV*

Source: eMarketer, *Few consumers adopt cybersecurity tools, despite privacy concerns*, 2024. *eye/o & Blockthrough, *Ad Filtering Report*, 2023.

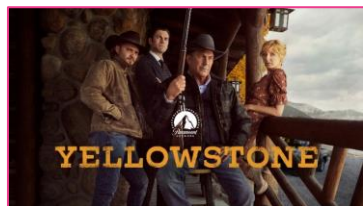
By contrast, consumers consistently have positive ad engagements in high-quality, viewer-first multiscreen TV platforms that provide 'digital-like' ad experiences



Consumers constantly engage with high-quality, long-form content on premium video platforms and their one million plus available titles

Sampling of Premium Video Programming

Linear TV



254,689

distinct titles available across linear TV channels

Streaming



886,167

distinct titles available across streaming services

Cinema



594

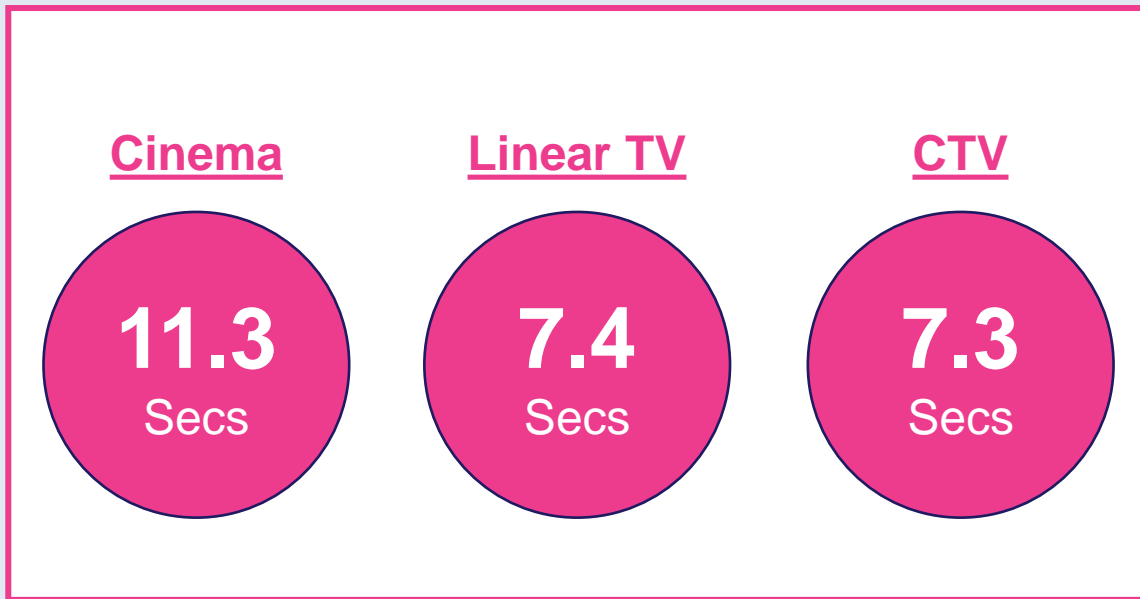
theatrical releases

Source: Nielsen, *U.S. TV household data reveals shifting trends in how audiences access content*, January 2024. Reflects Gracenote Global Video Data. Note: Numbers reflect availability over a 14-day window. Distinct titles based on 2023, unique titles across linear TV channels + streaming services = 1,056,179 (+29% vs. 2022). Theatrical releases based on S&P Global, *Film Release Report, 2023* (reflects all theatrical releases including wide, limited, re-releases, etc.).

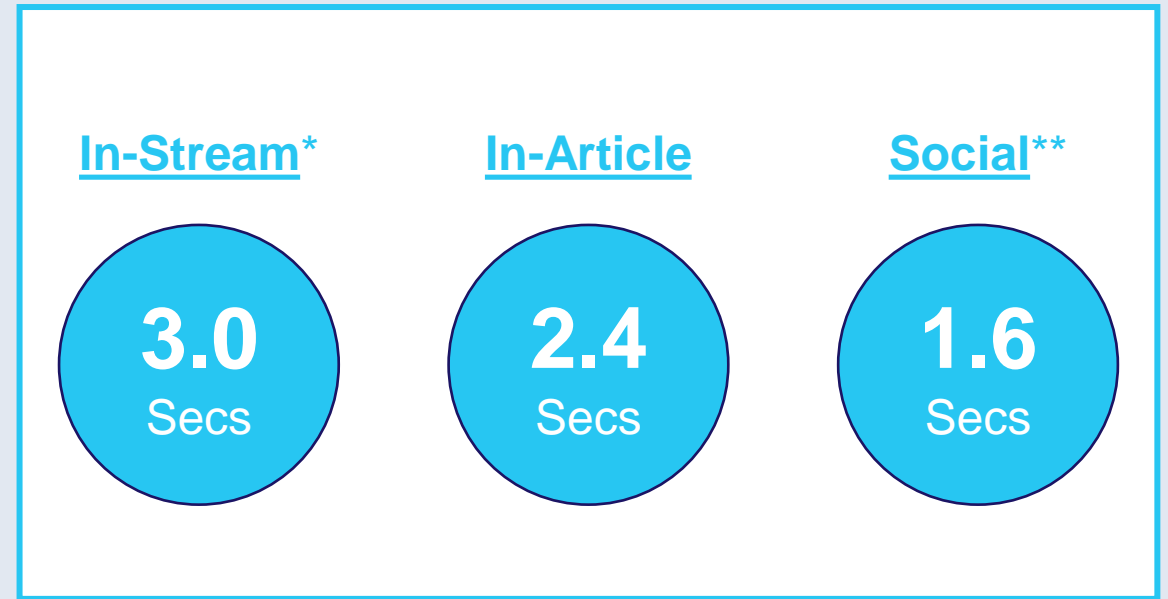
Ad engagement with high-quality premium video content generates longer 'eyes on' viewing than other digital and social channels

Avg. Seconds Viewed of :15 Ad by Platform (Comparing second x second viewing via eye-tracking methodology*)

Cinema, TV & Streaming



Digital & Social



Source: *NCM & Lumen, 'Cinema in the Media Mix,' March 2023; Cinema attention is based on an in-theater second-by-second eye tracking study with Lumen Research conducted in November 2022; Linear TV & CTV reflects platform norms from TVision data. In-Stream & Social reflects digital norms from Attention Economy figures based on US Lumen mobile passive panel data. *In-Stream reflects the average of two platforms (2.6 secs & 3.3 Secs). **Social reflects the average of two platforms (2.0 Secs & 1.1 Secs).

TV offers consumers a high-quality, much less disruptive ad experience which drives memorability and purchase intent

67%

of respondents felt that ads running on the TV screen are generally less disruptive than ads on mobile devices

Impact of ads viewed in the big screen TV environment vs. a mobile digital environment

2.2x higher
Unaided recall

1.3x higher
Purchase intent

Source: FreeWheel, *The State of TV Advertising Viewer Experience*, June 2023.

Additionally, premium multiscreen video can provide ‘digital-like’ consumer targeting for a more relevant and enjoyable ad viewing experience

Tactics currently being used within audience-based TV buying strategies % of respondents using ABB



49%

Campaign is running **across different platforms / screens** beyond linear TV



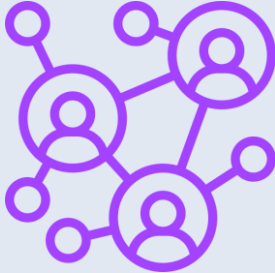
44%

Targeting **multiple audiences** in order to **focus on best customer prospects**



43%

Using audience data to **inform which networks** we buy



41%

Targeting **different audiences across different screens**









31%

Using an **audience-based TV buying self-serve platform** developed by a media partner

Source: VAB / Spectrum Reach / Advertiser Perceptions ‘Audience-Based Buying Survey,’ February 2023, fielded January 11 – 27, 2023 (n=210). Survey base: Advertising decision-makers who are involved in buying or planning digital video, cable / broadcast TV, or advanced TV. Q140. What tactics is your [company/main client] currently using within [their/your] audience-based TV buying strategies? Base = ‘Audience-Based Buying is a key part/small part/testing for TV’ (n=190). *Q154. Thinking about the impact of brand safety on [your/your main client’s] implementation of audience-based TV campaigns, how much do you agree or disagree with the following statements? (strongly/somewhat agree). Base = Total Respondents.

Multiscreen TV also delivers to consumers a ‘digital-like’ direct-to-purchase path to a brand’s platform through interactive, shoppable ad formats

% who have interacted with, or taken an action after seeing, an interactive / shoppable ad
% of total respondents

Click to Receive Info to Your Email/Device 	Explorable Ads* 	‘Click to Buy’ Ads 	Pause Ads 	Promos with an ‘add to watch list’ Button 	QR Codes 
67%	62%	58%	51%	51%	36%

Download [‘Shortening the Path to Purchase’](#) to learn more

Source: VAB custom research fielded by Hub Entertainment Research as part of the 2023 *Monetization of Video* report. Data sourced from Hub’s survey of 1,602 TV consumers, ages 16-74 who meet the following criteria: watch at least one hour of TV / week, have broadband access. Data collected June 2023. Q3: Which of the following actions have you taken after seeing the following types of ads? *Ads that let you browse different video clips, product types, or information screens. Types of interactions / actions include ‘used a search engine to look up more information’, ‘visited a website for a product/service to learn more’, ‘purchased a product they saw advertised’, etc.

Positive consumer ad experiences in premium environments boost brand impact, which benefits marketers and publishers



“Viewer experience matters.

*For advertisers, delivering a message in a **less disruptive, quality environment forges a stronger connection to their audience.***

*For publishers, it can mean **less churn in subscription services, more engagement with content on those services, and better return on investment for advertisers.**”*

- Mark McKee, General Manager, FreeWheel
The State of TV Advertising Viewer Experience, June 2023.

Key Marketer Takeaways

- ▶ High-quality content and advertising environments create a 'halo effect' which increases consumer perception of those advertisers
- ▶ The business practices and [lack of transparency](#) among major social media platforms and digital ad-tech walled gardens can alienate their own user base and create poor advertising environments which increases consumer annoyance and devalues brands
- ▶ Consumers are more likely to engage with ads in [high-quality video environments](#) – like linear TV, streaming and cinema - that create a premium viewer experience without the risk, which enhances brand reputation and drives memorability
- ▶ Multiscreen TV offers high-quality content with ['digital-like' targeting](#) and [interactive buying performance capabilities](#) which creates a more relevant and less intrusive advertising experience that influences purchase intent and delivers business results

Quality is key to successful campaigns, therefore marketers need to uphold audience trust, keep partners accountable and demand full transparency



Quality of Environment

Uphold Audience Trust and Standards:

- The ad experience should be premium like the content around it – with quality audio and video and relevant creative.
- Partners should use programmatic tools that are built for premium transactions vs. legacy display, ensuring transactions are rooted in trust, and delivery isn't compromised.
- Ad quantity should be in line with content length, with minimal disruption, low latency, proportional ad breaks, and carefully crafted ad loads.



Brand Safety

Hold Partners Accountable:

- Partners should meet brand requirements, uphold category exclusivity, and maintain competitive separation.
- Partners should ensure no placements with objectionable content – or objectionable audiences.
- Legitimate verification processes should be in place to understand what is being bought and sold.



Transparency & Legitimacy

Know What You Are Buying:

- Creative should run where it is planned to, in the right context.
- Buyers & sellers should agree on the kind of impressions purchased – ads should run adjacent to or within the right content and be viewed by real people. They should not run on MFA sites or be delivered to bots.
- Ads should be viewable, not out-streamed, muted, auto-played, or hidden. Non-viewable impressions should be removed from reporting.

To learn more, [click here to download the FreeWheel Council for Premium Video's & VAB's 'Buying Premium Video: A Definitive Checklist'](#)

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VAB's New Year's Resolutions for Marketers – #1: Prioritize Quality



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VAB's New Year's Resolutions for Marketers – #3: Embrace Innovation



The Credibility Crisis
How people find trusted news amidst a wave of misinformation



Hidden Costs
Three Critical Business Ramifications of Digital Ad Fraud



You Oughta Know
Why All Impressions Aren't Created Equal & What it Means for Video Measurement

VAB Members, brand marketers and agencies get free and immediate access to VAB's content library. Get access at [theVAB.com](https://thevab.com)

About VAB

VAB plays a dual role in the video advertising industry. We are leading the change to bring about a more innovative and transparent marketplace. We also provide the insights and thought leadership that enables marketers to develop business-driving marketing strategies.

Drawing on our marketing expertise, we **simplify** the complexities in our industry and **discover** new insights that **transform** the way marketers look at their media strategy.



We are committed to your business growth and proud to offer VAB members, brand marketers and agencies ***complimentary access*** to our continuously-growing Insights library. **Get immediate access** at theVAB.com.

