



MARKETER'S PULSE

EXECUTIVE SUMMARY

This report provides a special focus on how marketers are protecting their online advertising investments.

The topic continues to dominate the industry headlines. There has been much progress by the leading industry organizations to address the concerns around campaign validation and protection from fraud. ACA held two executive forums recently to ensure that marketers are fully versed on the issues of transparency and verification in online advertising, and to provide guidance on how they can protect their online investments. This report provides an insightful Canadian perspective, which has been summarized below.

Overall there is limited experience with the issues regarding the protection of online advertising investments.

1. Given the vast amount of coverage in the industry regarding click fraud and inappropriate ad placement outside website guidelines, there is a surprisingly moderate level of concern from advertisers at 5.9 on a 10 point scale. However, an increase in level of concern correlates with a higher portion of budget executed programmatically.
2. Coincident with the moderate level of concern, only one-third of respondents indicated that they had at least sometimes used an auditing service to validate the accuracy of their online campaign delivery.
3. When asked about their organization's experience with click fraud or delivery of ads to websites outside campaign guidelines, **known** experience was only 10.6% with almost 30% indicating they did not know.
4. There is a corresponding low level of list development for suspect or fraudulent websites, with only 21% aware of this practice.

It is important for client marketers to become aware and to understand the implications of many of the issues within the online advertising ecosystem. This will ultimately lead to better protection for their online advertising investments.

ACA is pleased to provide you with the ninth report from the ACA Marketer's Pulse panel.

This report contains results of what Canadian marketers are thinking, planning and experiencing at their workplaces, and with their suppliers and consumers.

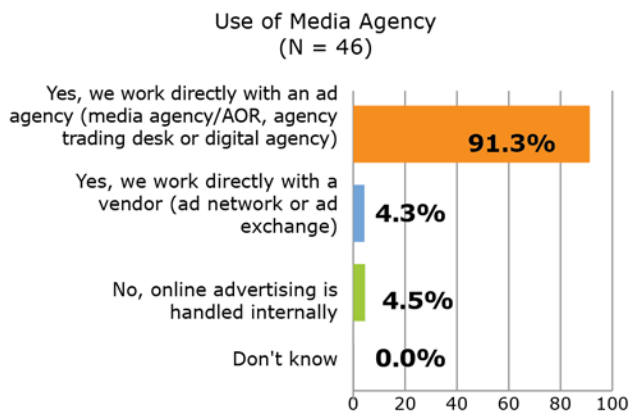
Thank you to the panelists who agreed to provide their perspectives and insights. The ACA will continue to monitor the pulse of the changing dynamics in the Canadian marketing environment, and to provide you with current results and trend lines as they develop.

To learn more about this report and how you can realize additional value from your ACA membership, contact Susan Charles, Vice President, Member Services at (416) 964-1538 or scharles@ACAweb.ca.



1. Use of an advertising agency for online media buying

The use of an advertising agency for the purchase and placement of online advertising is almost universal at ninety-one percent.

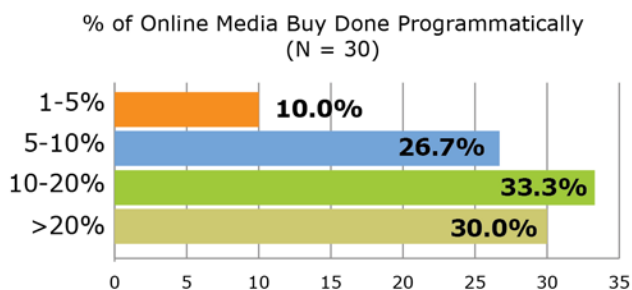


Question: Do you work directly with an ad agency or other vendor for the purchase and placement of your online advertising?

2. Use of programmatic buying for online media purchases

Almost two-thirds of advertisers indicated that a portion of their online media campaign was purchased programmatically.

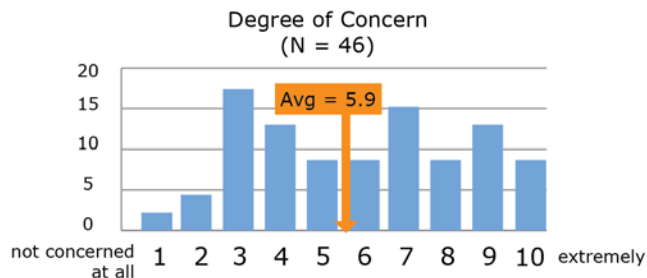
The portion of their total online media buy that is done programmatically skews to greater than five percent, with almost one-third indicating a portion over twenty percent.



Question: What portion of your online media buy is done programmatically?

3. Concern about online click fraud and inappropriate ad placement

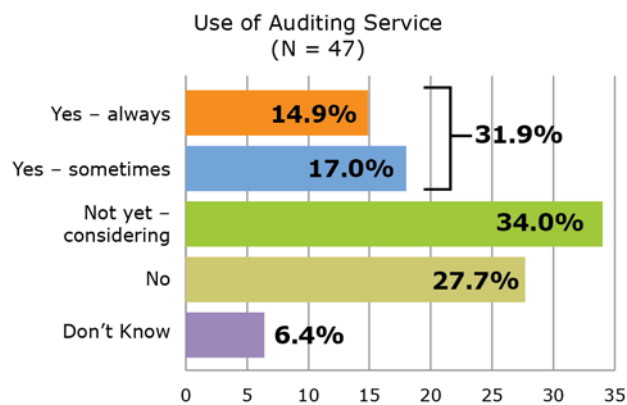
Surprisingly, there is only a moderate degree of concern for online click fraud and inappropriate ad placement with an average of 5.9 on a 10 point scale. Upon further analysis, there are higher levels of concern among marketers with higher budget commitments.



Question: On a scale of 1-10, how concerned are you about online click fraud or your ad being placed amongst inappropriate content as a consequence of automated trading?

4. Use of auditing service to validate online campaign delivery

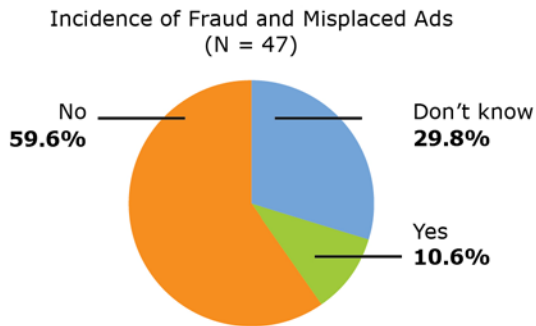
Only one-third of marketers use an auditing service at least sometimes to validate the delivery of their online advertising campaigns. This parallels the moderate level of concern about fraud and inappropriate ad placement.



Question: Do you use an auditing service to validate the accuracy of your online campaign delivery?

5. Incidence of online click fraud or delivery of ads outside website guidelines

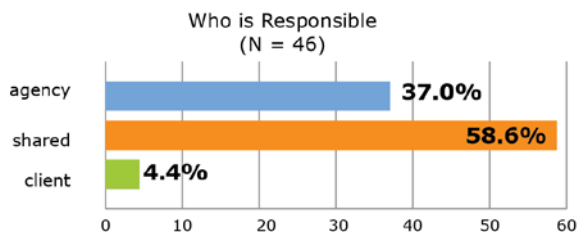
There is a relatively low level of **known** experience with online click fraud or delivery of ads to websites outside specs of the buy guidelines, with only 10.6% indicating they have had an incident. Surprisingly, almost 30% do not know.



Question: Has your brand been impacted by any incidents of online click fraud or delivery of ads to websites outside the specs of the buy guidelines?

6. Responsibility for protection from online fraud

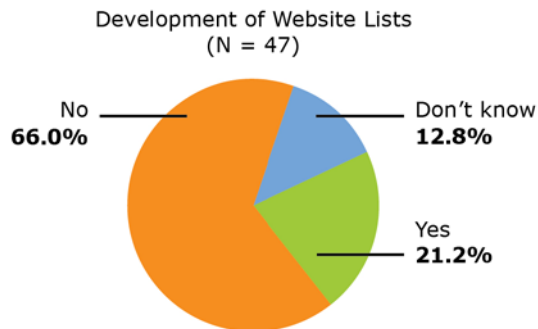
While the majority of advertisers (58.7%) believe that protection from online fraud should be a shared responsibility between the client and agency, over one-third believe that it is the agency's sole responsibility. Very few (4.4%) believe that it should be the sole responsibility of the client.



Question: Who does your organization consider to be responsible for the protection from online fraud?

7. Use of lists to identify inappropriate websites

Given the low level of experience with online click fraud and inappropriate ad placement, it is not surprising that there is a corresponding low level of list development for suspect or fraudulent websites. Only 21.2% are aware of the practice of list development.

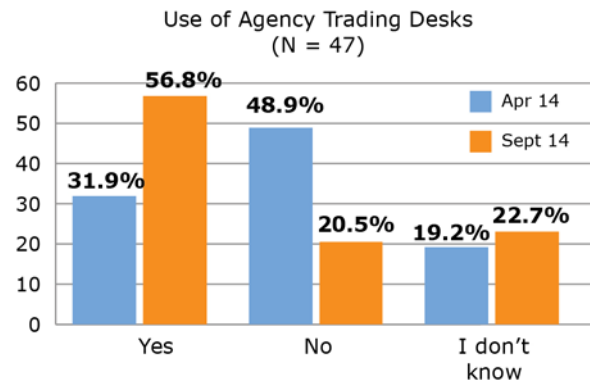


Question: Have you developed a list of (or otherwise identified) specific websites and online services you would consider suspect or fraudulent operations with regard to online advertising?

8. Use of agency trading desks

Use of agency trading desks (ATD) at 31.9% is well below the usage rates of 56.8% as reported in the April 2014 Marketer's Pulse report.

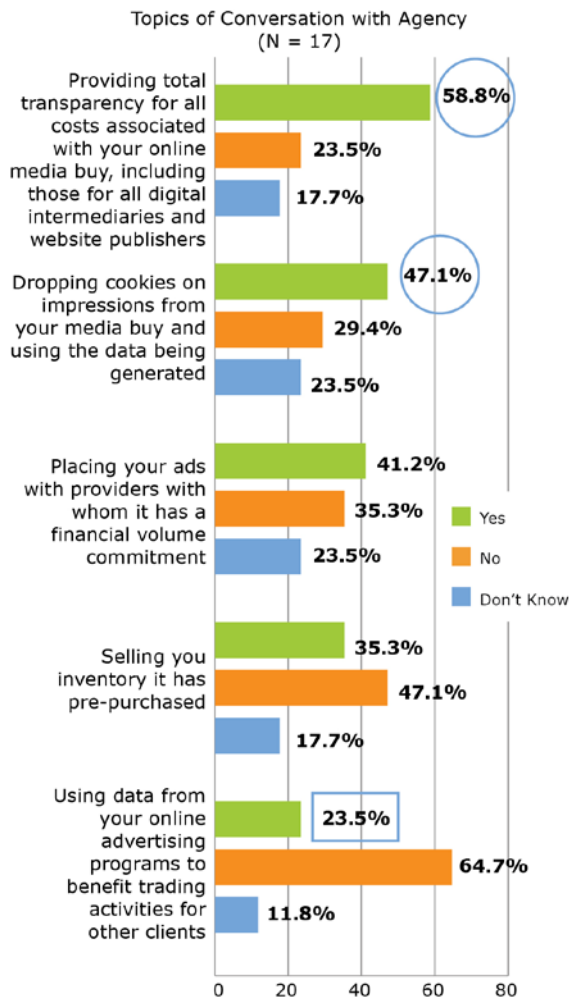
However, consistent in both surveys is the relative portion of marketers who 'don't know' at approximately 20%.



Question: Do you use an agency trading desk for your online media buys?

9. Conversation with agency trading desk

Among those who use an agency trading desk, the vast majority have had a conversation on at least one topic with their agency trading desk. The most common topics for conversation are 1) total transparency for all costs associated with the online media buy and 2) use of cookies and data generated from online media buys. The least discussed topic is use of a client's data to benefit trading for other clients.



Question: If you use an agency trading desk, have you had a conversation with them about any of the following practices?

ABOUT ACA Marketer's Pulse



ACA seeks input from senior Canadian marketers to provide valuable insights into marketing dynamics. The ACA Marketer's Pulse panel shares what they are thinking, planning and experiencing at their workplaces, and with their suppliers and consumers. The panel is asked questions about their current business conditions, perceptions and strategic priorities. The ACA Marketer's Pulse report provides the results of this and future surveys.

Panel composition

- The panel consists of senior marketers in Canada, representing a cross section of industry sectors and marketing/MarCom spending levels.
- Almost 90 marketers are currently registered.

September 2014 survey respondents

- 47 (81% English, 19% French)

Field dates

- September 15 – October 1, 2014

Methodology

- Survey questions developed by ACA
- Survey Monkey link emailed to panelists
- All results are reported in aggregate to protect confidentiality
- Report written by ACA

ABOUT ACA



The Association of Canadian Advertisers (ACA) is the marketer's only independent voice in Canada. We maximize marketing communication and brand ROI by advocating for marketers' interests, driving transparency and accountability, providing insight and best practices, and facilitating professional development and networking. For more information, visit ACAweb.ca.



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