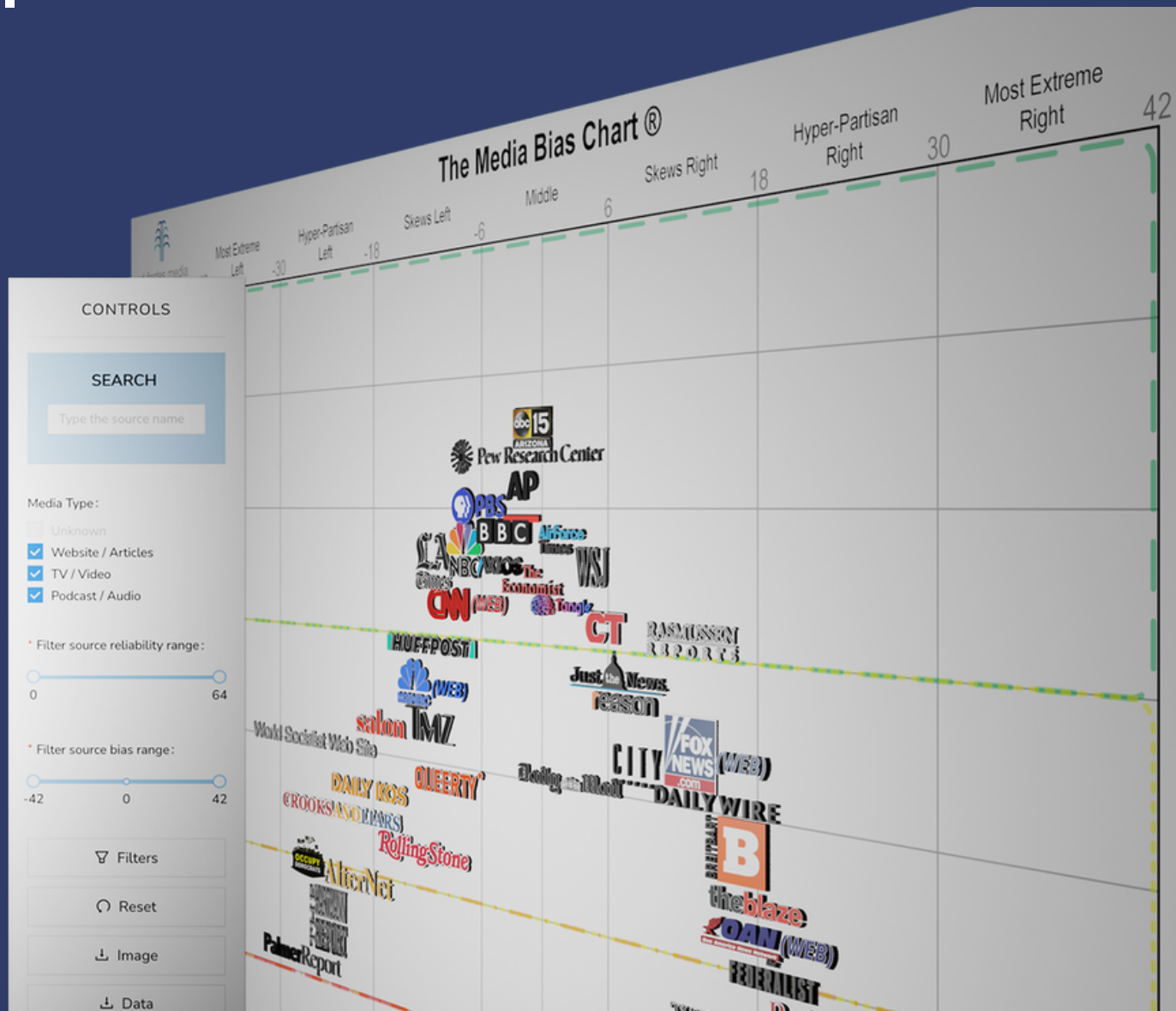


THE HALO EFFECT: MORE VALUABLE THAN EVER



VANESSA OTERO
CEO, AD FONTES MEDIA

INTRODUCTION

News platforms that offer trustworthy content gain the confidence of their viewership, and brands that advertise on these trusted platforms can benefit from this confidence. Suggesting an aura of reliability, this benefit has been referred to as the Halo Effect, and in a study called the News Trust Halo David Cohen, Chief Executive Officer at IAB, outlined the benefits of this effect including an enhanced trust among affluent viewers yielding improved ROI for the advertiser, saying: “Consumers trust brands more when they run adjacent to news, especially breaking news. There is a News Trust Halo for brands that shouldn’t be ignored.”

For over a decade, studies about this Halo Effect have consistently validated its positive aspects. In 2010, for example, it was reported that readers exposed to display ads on quality news sites were more likely than average to visit the advertiser website, and a subsequent 2016 report entitled The Halo Effect drew a causal relationship between the trust engendered in consumers by quality news publishers and an enhanced conversion lift enjoyed by brands advertising on those trusted platforms.

In recent years, as misinformation has proliferated with a resulting consumer backlash against intentionally misleading content and fake news, a growing body of reporting documents consumer aversion to brands or products whose ads appear adjacent to misinformation, with one recent study reporting an astounding 87% of consumers surveyed expecting brands to proactively combat misinformation. Not surprisingly, some recent surveys suggest that the combined impact of the these societal shifts in combination with the increasing flood of misinformation will drive advertisers to rethink their brand safety and suitability strategies, with upwards of 60% changing their approach because of the proliferation of fake news, and more than half willing to combat misinformation by

working with media partners based on trust factors.

Data from the IAB News Trust Halo Report also strongly refutes a widely-held notion that advertising in any news is risky for brands. It states that “[n]ews—even if disconcerting—either increases or has no impact on consumer Trust for Brands advertising within that content,” and “84% of News consumers feel that advertising within the News either increases Brand Trust or maintains it.”

To date, research on the issue of whether it is truly detrimental to brands to advertise next to “negative” news content is sparse and thinly supported. [A 2018 report](#) from a collaboration of marketing firms claimed that consumers end up with negative perceptions of brands after viewing their ads next to broadly-defined “negative” content. There are a handful of studies and surveys that suggest undesirable outcomes for a wide variety of different types of “[objectionable](#),” or “[misaligned](#)” content. A survey by [Statista in November 2021](#) found “respondents strongly or somewhat agreed that brands should be concerned about their ads appearing next to negative content on a website or app,” with the “strongly agree” cohort at 37% and the “somewhat agree” cohort at 41%.

However, none of these studies or surveys define or isolate “negative news” as a specific type of content that causes negative brand outcomes or associations for consumers. In fact, a [report from the UK publisher Reach, also in 2021](#), comes to the opposite conclusion, more aligned with the IAB Report’s findings.

Studies around “negativity” often include references to the umbrella term “controversial,” as the IAB News Trust Halo Report does. What is left unsaid is that almost everything one can call “controversial” in our current climate is political.

Brands often don't want to dive into political fights, and therefore seek to avoid politically controversial content because many high-profile brand boycotts have been the result of advertisers sponsoring biased content.

What is not disputed is that advertising dollars in news have plummeted in recent years: this Pew Research Fact Sheet shows a sharp and continuous decline in advertising from 2006 onward, from a peak of about \$50B in 2006 down to less than \$10B in 2020. It is also well-documented that brands block news categorically and/or through the use of keyword blocking lists, which effectively block most news.

Advertisers' willingness to use the power of their advertising dollars to combat misinformation by starving misinformation purveyors is apparent. However, in pursuit of combating misinformation and avoiding negativity, it is also apparent that the pendulum has swung too far in the direction of over-blocking news.

Given that the preponderance of studies and data indicate that the true risk of advertising in news is likely low or non-existent, and that the Halo Effect from advertising in news is likely high, it does not make sense for brands to continue blocking news.

The reason for blocking misinformation and extreme polarizing content does not need to be that it is a brand safety risk; rather, a sufficient reason is that it is the right thing to do according to a brand's values. There is no downside to blocking misinformation and extreme polarizing content.

Conversely, there is downside to blocking reputable news for both our democratic society and an advertisers' bottom line. But fortunately, the double-upside opportunity—funding journalism and increasing ROAS--also exists for advertisers who want to get back into news.

The state of ad spend in news highlights the importance of reliable strategies and tools designed to allow brands to confidently identify those responsible news platforms. When given these tools, brands are empowered to simultaneously protect the value of their brands, by advertising within the aura of reliability, while demonstrably acting for the social good by combating the spread of misinformation.

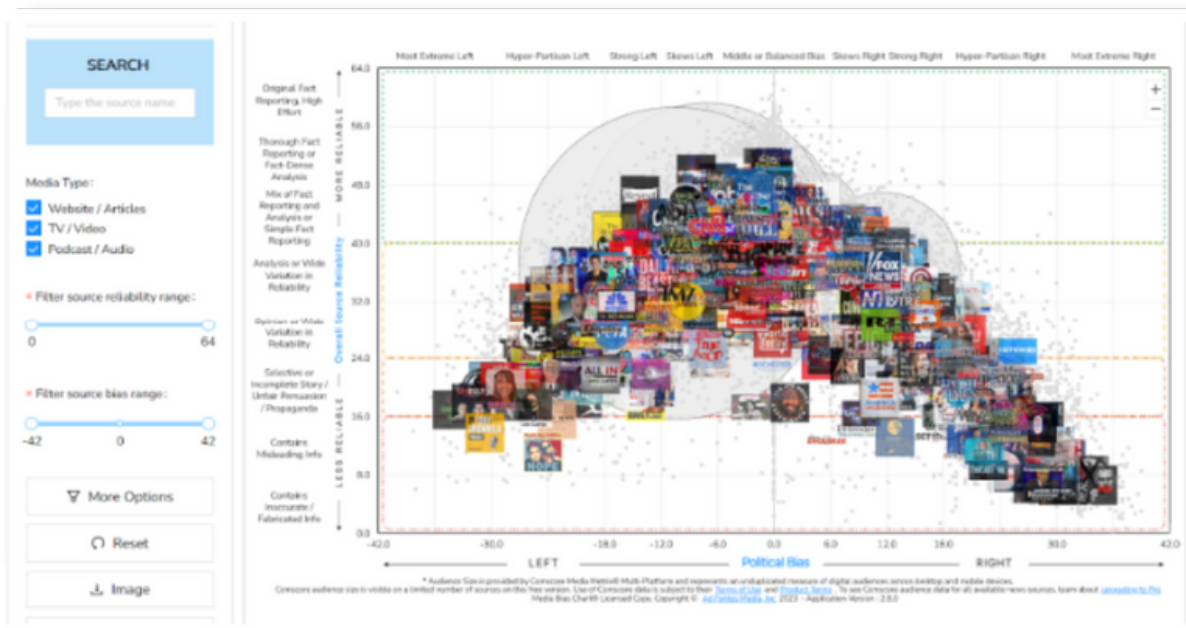
News platforms able to deliver the Halo Effect likewise benefit from these same tools, because they can highlight their platform's ability to deliver the aura of reliability sought by brands looking for this safe and suitable space. When combined with [research showing](#) that ads running on reliable news sources deliver optimal ROI to the advertisers, the tools validating the ability to deliver the Halo Effect equips publisher's ad-sales representatives with a differentiator needed to attract brand-safety and suitability champions searching for trustworthy media partners.

In the discussion below, we will showcase the collaborative work of Ad Fontes, the Alliance for Audited Media and others to empower news platforms with the tools needed to feature the power and reach of their own unique aura of reliability, while simultaneously providing brands, and their brand-safety and suitability champions, to quickly and easily identify find those platforms offering reliably safe placements for their advertisements.

DIVINING THE HALO EFFECT

The integration of audience measurement data with the Ad Fontes' Media Bias Chart yields a powerful divining rod in the search for the Halo Effect, designed to easily and graphically display these search results. As shown in the example below, a given media property's logo-placement on this chart represents measurement by Ad Fontes' for political bias and reliability, while the shaded circles surrounded by dotted lines, or bubbles, represent the audience coverage (or 'reach') of the media property whose logo appears at the center of a given bubble:

A brand safety and suitability champion can use this tool to quickly and easily navigate towards those properties that will offer the benefits of the Halo Effect to its advertising, while representatives of a given media property can use this tool to quickly and easily feature their platform's attributes.



The value of this tool was recently featured in the [strategic partnership](#) between Ad Fontes and the Alliance for Audited Media where we partnered to create an interactive chart listing political media bias and reliability ratings for AAM-audited publishers. Ad Fontes developed this ratings methodology to determine whether news sources are creating reliable, impartial content. This project helps highlight publishers committed to providing quality news and information. Advertisers can use this chart to find trusted media partners to add to inclusion lists and prioritize in media buys.

KEY INSIGHT

A closer look at the Ad Fontes publisher scores for bias and reliability in combination with the audience reach data reveals a key counterintuitive insight:

There are enormous audiences for low-bias/high reliability news content.

News outlets that score in the upper middle section of Ad Fontes Media's chart have large readership and viewership numbers. In comparison with publishers that fall in the lower left and right sections—the highly polarizing and misleading content that advertisers want to avoid-- there are far larger audiences for real, reputable news.

Given the stark levels of polarization in our country, it may feel like most of the attention goes to biased and misleading publishers, but the audience measurement data reveals that in fact, the biggest audiences gravitate toward the more reputable publishers.

Although there are some significant audiences for certain biased and unreliable publishers, brands can more than make up for excluding those by finding replacement audiences on far less biased and more reputable news.

In short, brands blocking news are sacrificing big audiences and incremental reach.

INDUSTRY REACTION

Recognizing the value of innovation in solutions to help media buyers execute campaigns in a safe and suitable way, the Brand Safety Institute (BSI) has applauded the work Ad Fontes and its partnership collaborations in amplification of the Halo Effect. Though coming from different sectors of the market, each of BSI and Ad Fontes share the common goal of preserving the foundational societal benefits provided by reliable news, and each recognizes that innovations that help media buyers monetize journalism in a way that supports their safety and suitability guidelines are a huge positive for the industry. According to BSI Co-Founder Mike Zaneis, “Journalism is fundamental to our democracy and finding ways to increase ad support for vetted, professional journalism is important to the evolution of digital advertising.” And BSI Co-Founder Neal Thurman added “Marketers and agencies are signaling their interest in increasing their support for vetted journalism, but to make that interest operational the buying process needs to be achievable at scale and in a brand safe and suitable manner. Innovations by Ad Fontes and its collaborators that look to make buying vetted journalism inventory easier and more reliable are valuable steps forward for the industry.”

Emphasizing specifics in this report is the following additional industry acknowledgment. “There are scaled audiences consuming the objective reporting from reputable news organizations in the findings. Ad Fontes, combined with audience measurement, starts to illustrate the real value of the Halo Effect of journalism,” said Scott Cunningham, Initiative Lead for NewsPassID ad network by the Local Media Consortium, Chair of the Publisher Council at the Brand Safety Institute, and Founder of the IAB Tech Lab. “These brand suitable solutions, in addition to news media inclusion lists and ad networks, Brands have the ability to work with Publishers on their Brand Suitable requirements and should feel comfortable using technologies that promote advertising placement associated with quality journalism that not only performs but reaches highly engaged audiences.

CONCLUSION

With this report, Ad Fontes Media offers insights and ideas in support of reliable news publishers and programs, with suggested solutions for advertisers and brands looking for simplified ways to bring their advertising back to them. As our collaborative partnerships continue to evolve, we plan to offer new solutions and encourage all within the industry to join in this common cause.

