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The News Trust Halo: How Advertising in News Benefits Brands

EXECUTIVE SUMMARY

September 2020

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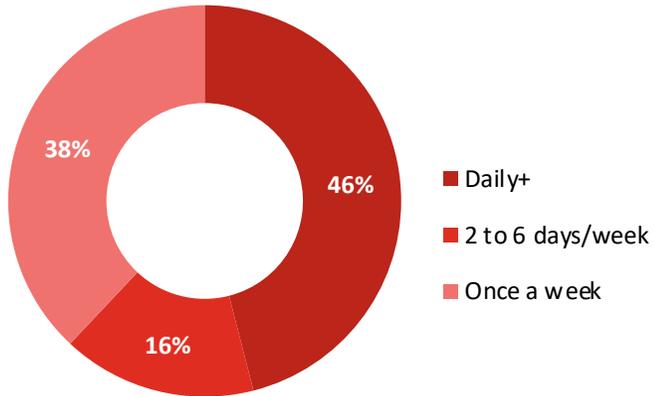
COURAGEOUS
THINKING

Advertising in News is brand safe, increases trust, and drives consumer action

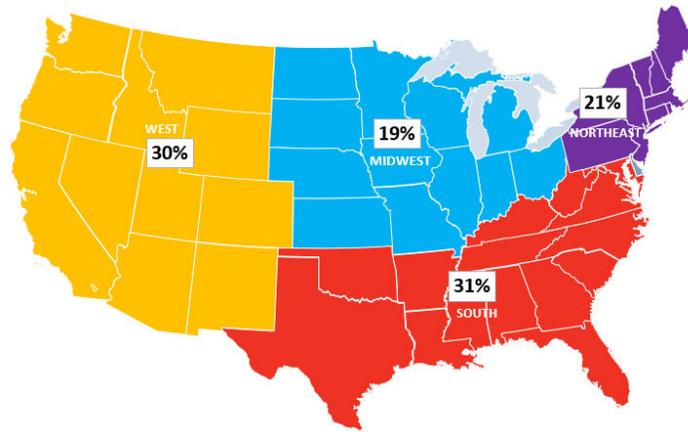


U.S. consumer respondent profile

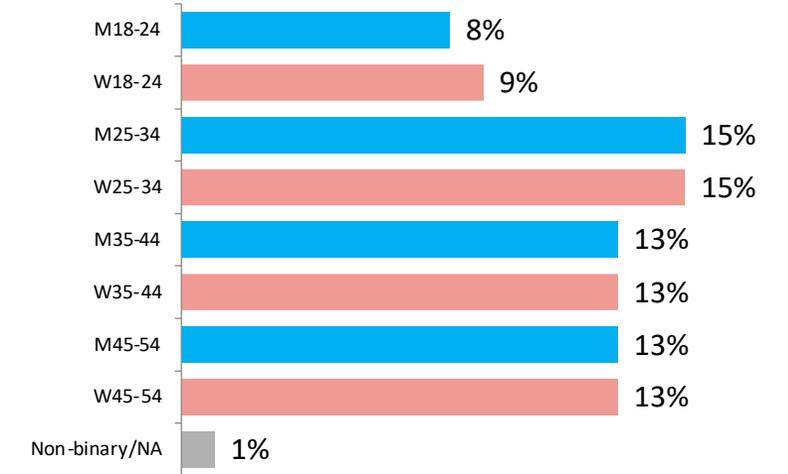
NATIONAL/INTERNATIONAL NEWS WEEKLY+



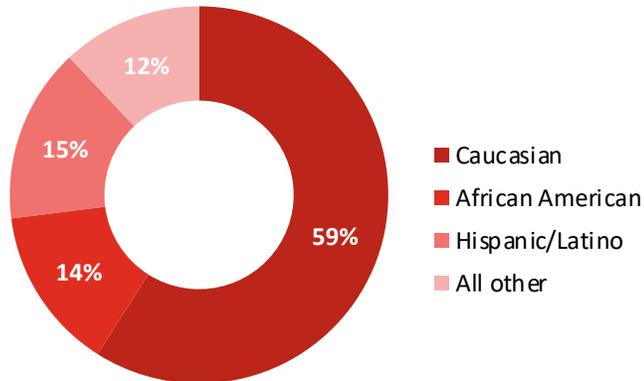
U.S. REGION



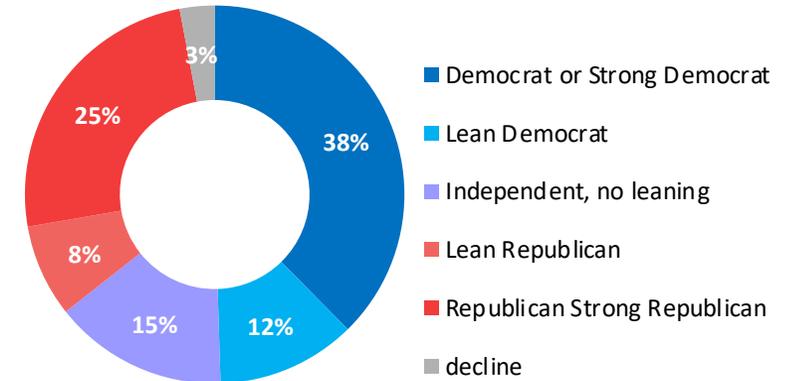
GENDER/AGE



RACE/ETHNICITY



POLITICS



U.S. consumers of News are engaged with and trust their chosen News sources



1.

Consumer Trust in News

To what degree
do consumers
place their trust
in News?

3 in 4

U.S. consumers 18-54 follow National/International News (weekly+)

4

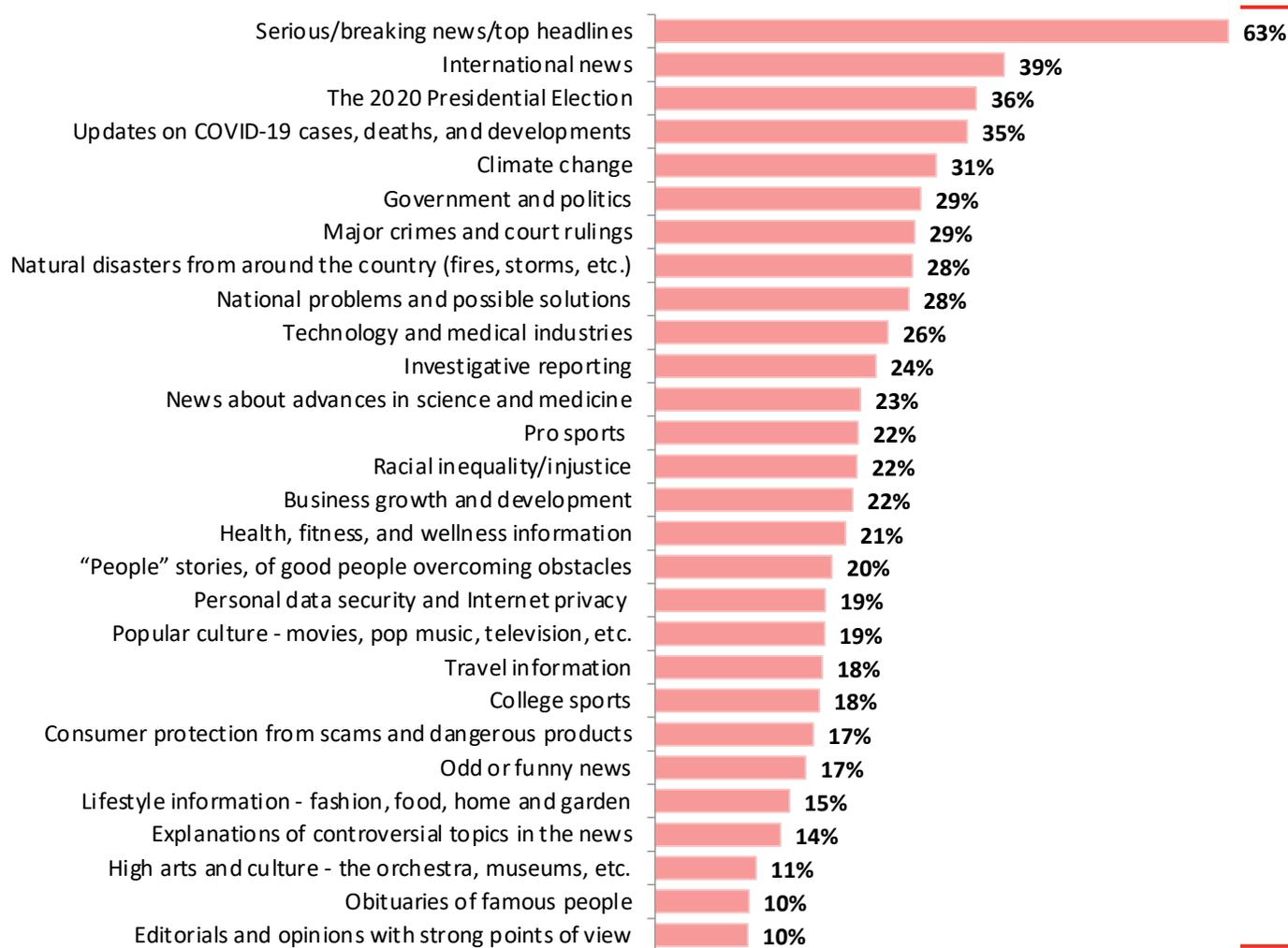
chosen News sources, on average

7 in 10

consider their preferred News sources to be Trustworthy

Consumers are most interested in serious/breaking News

INTEREST BY NEWS TOPIC (PAY CLOSE ATTENTION, TYPICAL WEEK)



Serious/breaking News is up to 53% points higher in consumer interest than every other news type

24% to 53% point difference

Some brands avoid advertising in News because they worry it is not safe...



2.

The News Trust Halo for Brands

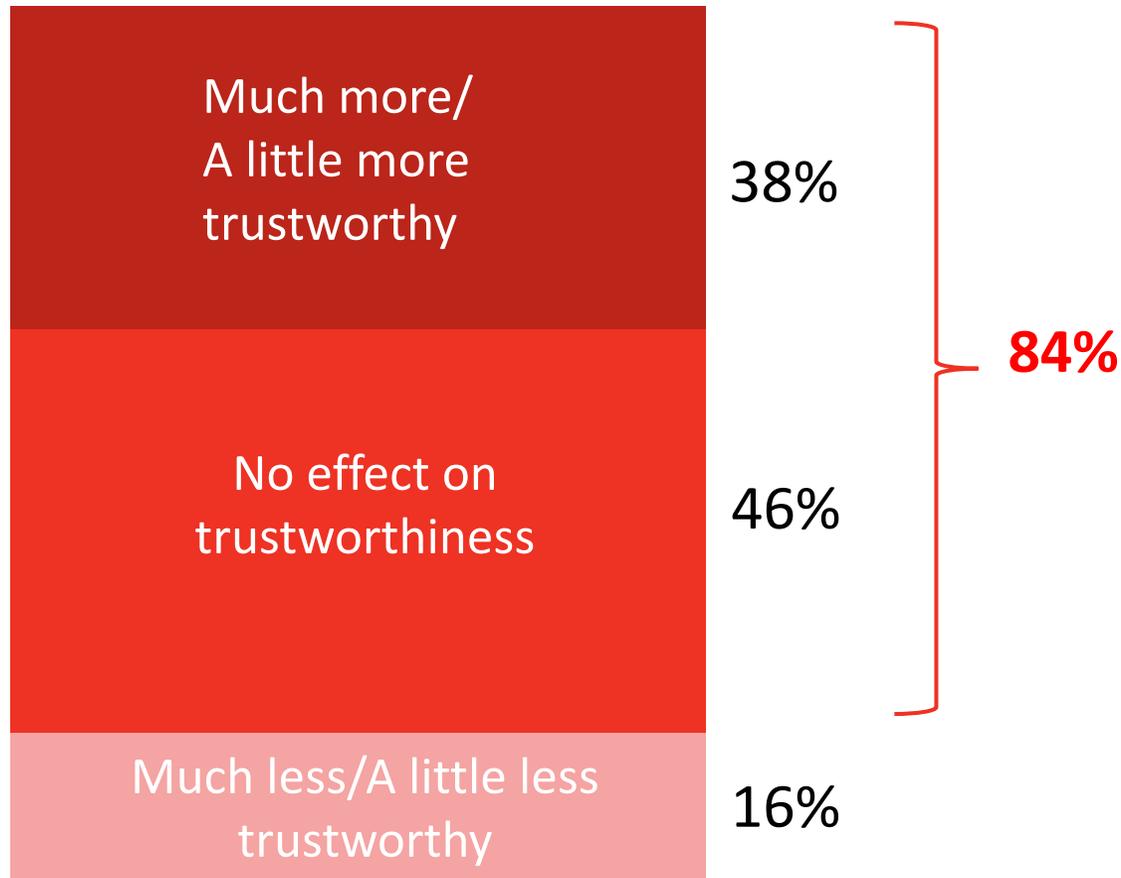
How does the association
between trusted News
sources and advertising
impact brand perception?

The opposite is true.

Advertising in News creates a consumer Trust Halo
for brands across all advertising verticals.

For 84% of consumers, trust is neutral or INCREASES for News advertisers

IMPACT ON BRAND TRUST ACROSS VERTICALS (FOR ADVERTISERS IN NEWS)



Whether the News type is serious/breaking News, opinions/points of view, or lighter/entertaining News, consumers see advertising within News as having the same positive impact on brand trust.



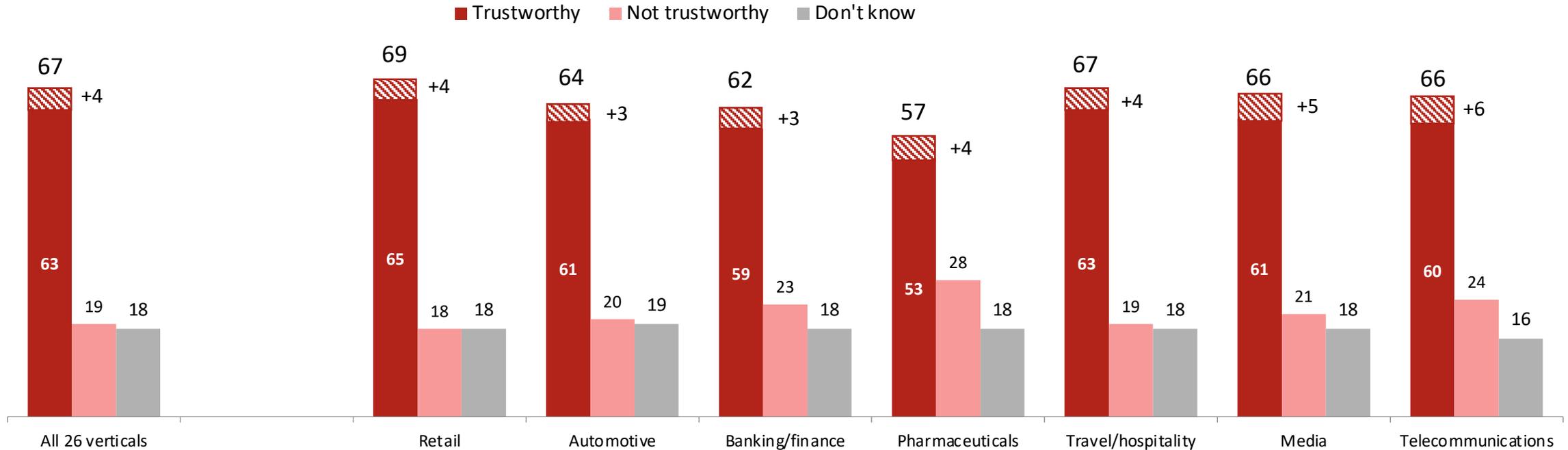
We asked respondents how advertising within News would impact their trust in different brand product/service categories.

The impact was positive.

This is the News Trust Halo.

Advertising in News can increase consumer trust by up to 6% points

TRUST SCORE BY SELECTED VERTICALS



 =TRUST Halo POTENTIAL



As an example, a Telecommunications advertiser could see its consumer trust score increase from 60% to 66% by advertising in News.



3.

News Drives Consumer Action

What additional brand benefits are the result of ad adjacencies within trusted News sources?

47%

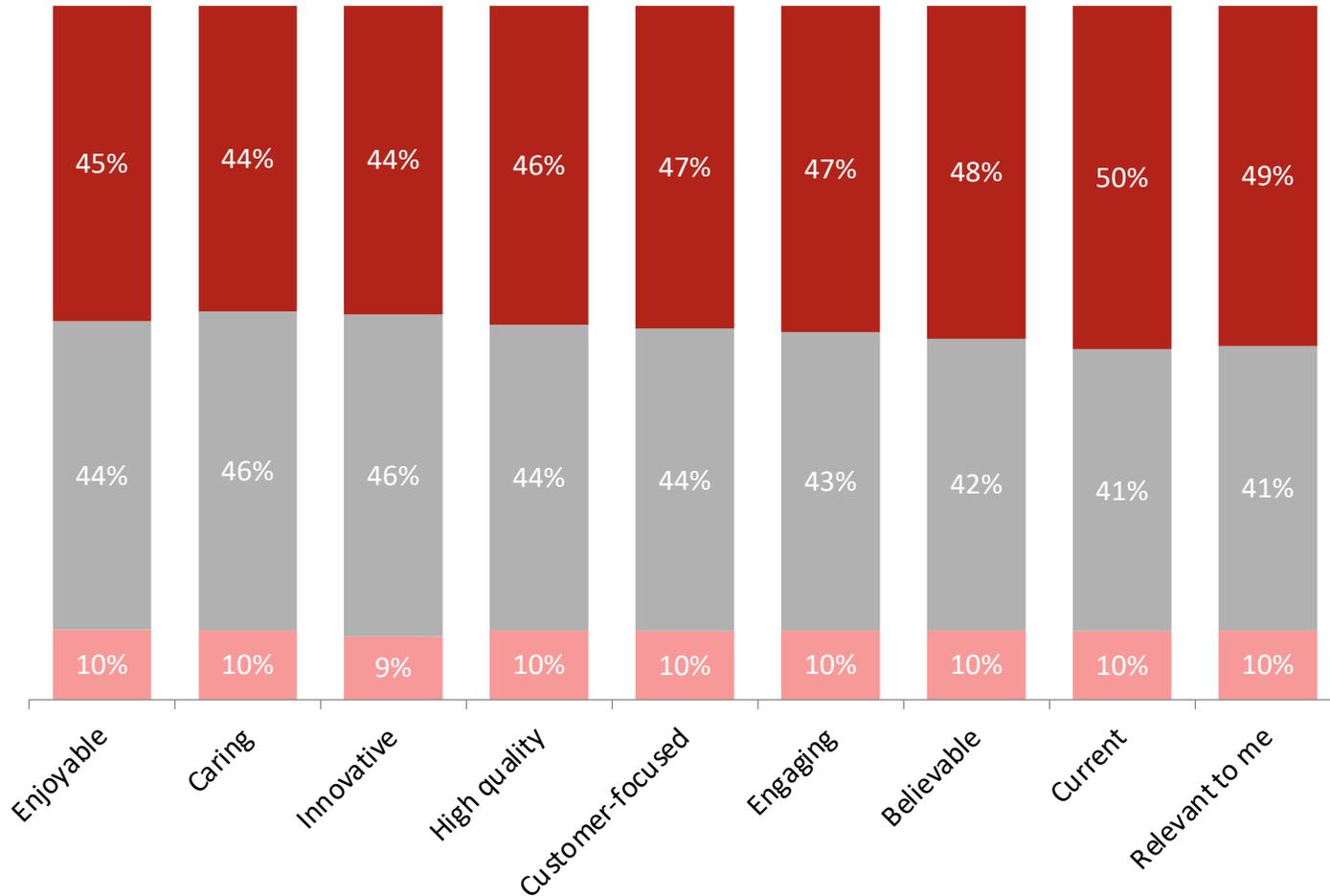
of consumers report that advertising in News increases positive perception of brand attributes

42%

of consumers say advertising in News drives brand engagement and action

Consumers like brands MORE when they advertise in the News...

IMPACT ON BRAND ATTRIBUTES (FOR ADS IN NEWS)



The assumption that News negatively impacts other brand attributes is incorrect.

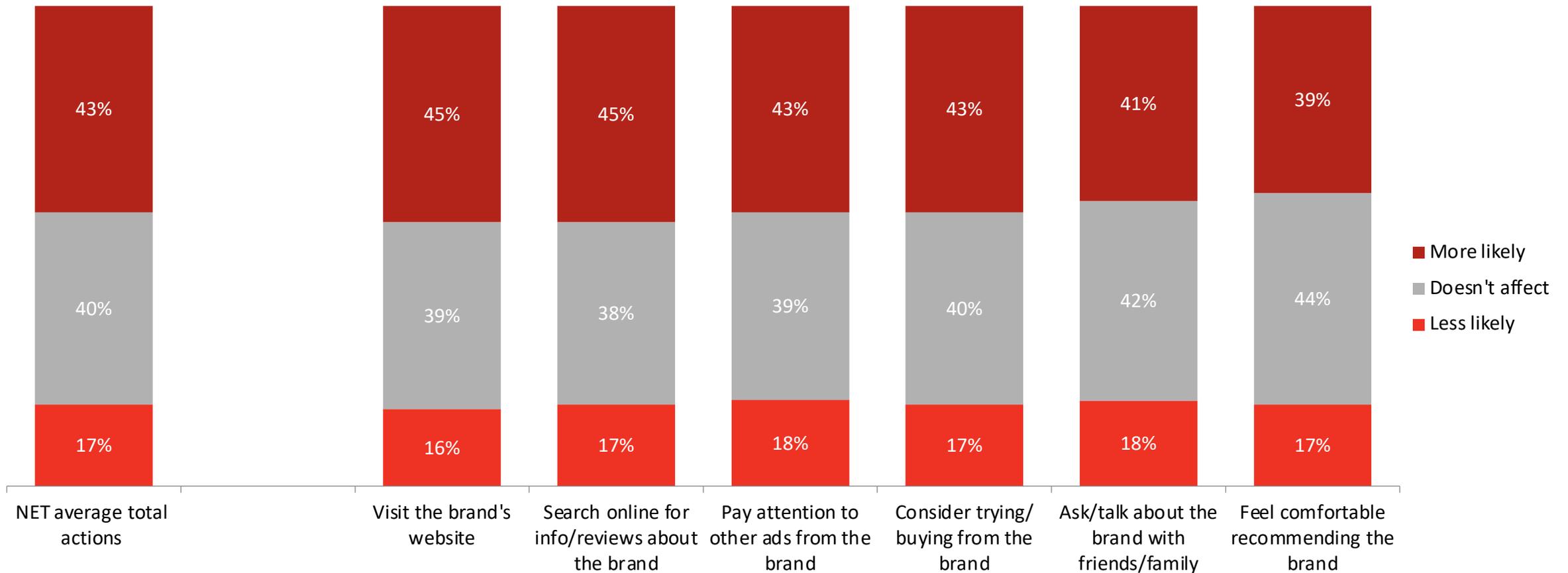
Perceptions of the advertised brand see an increase when ads appear in preferred News sources and adjacent to News topics of interest.

These lifts are virtually the same regardless of the specific News topic.

- Much/A little more
- Doesn't affect
- Much/A little less

...and brands that advertise in News can experience significant lift in consumer ACTION

IMPACT ON BRAND ACTION (FOR ADS IN NEWS)





Executive Respondents

How do business executives that see ads within their preferred News sources compare to total respondents?

9 in 10

U.S. executives (A30-64) follow National/International News (weekly+)

4

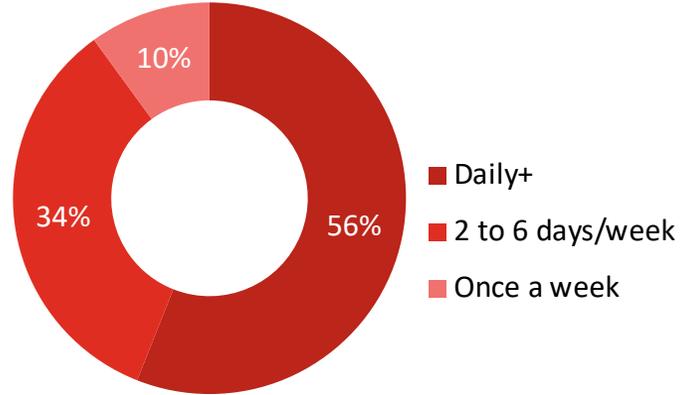
chosen News sources, on average

8 in 10

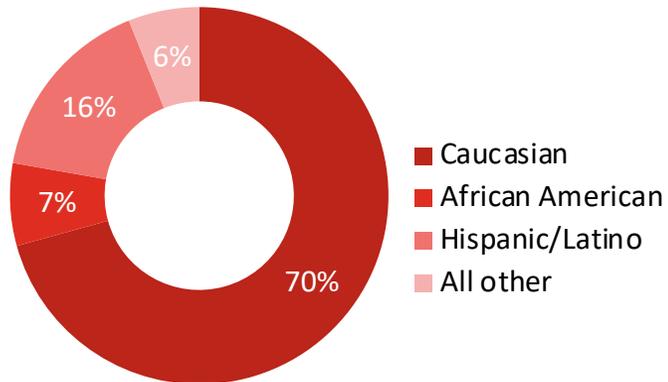
consider their preferred News sources to be Trustworthy

Executive-level respondent profile

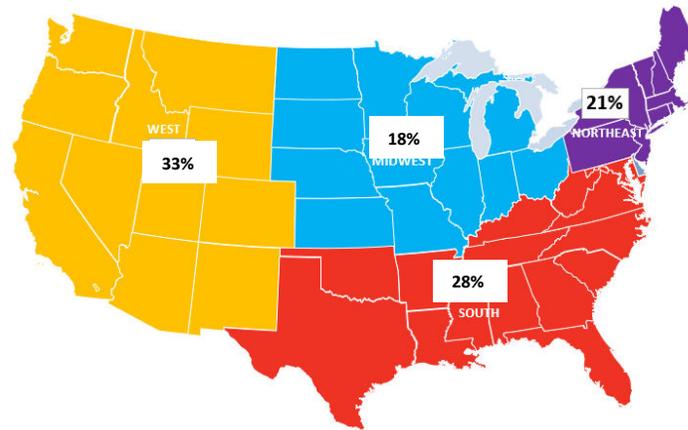
NATIONAL/INTERNATIONAL NEWS WEEKLY+



RACE/ETHNICITY

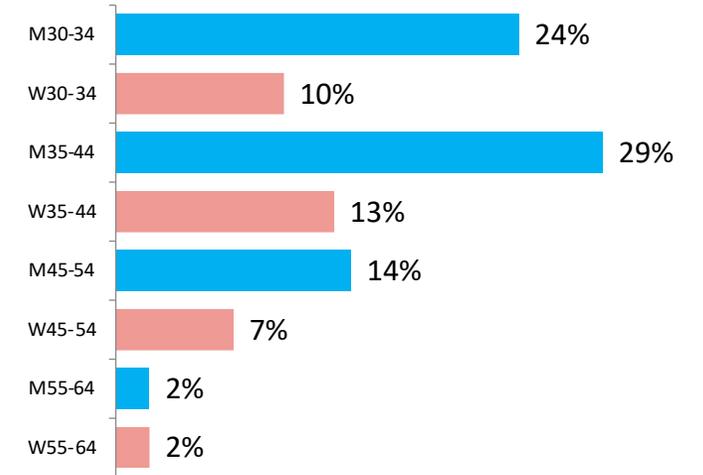


U.S. REGION

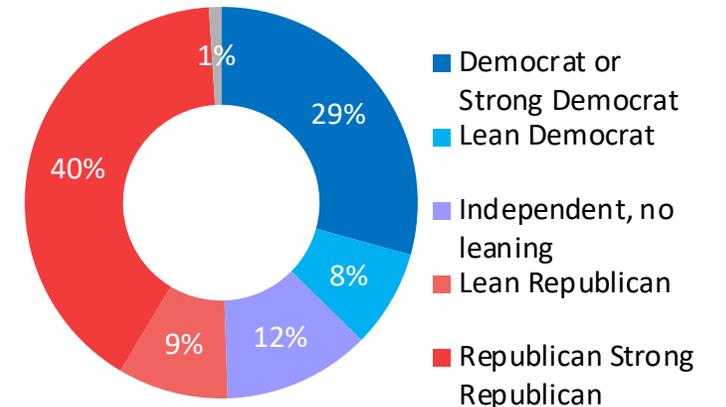


Compared to total respondents, executives are more likely to get news daily+, and skew higher as both White (70%) and Male (69%)

GENDER/AGE



POLITICS



Brand trust for News advertisers INCREASES for executives (vs. total)

IMPACT ON BRAND TRUST (FOR ADS IN NEWS)

[Total Respondents]



+26% pts

[Executive Respondents]

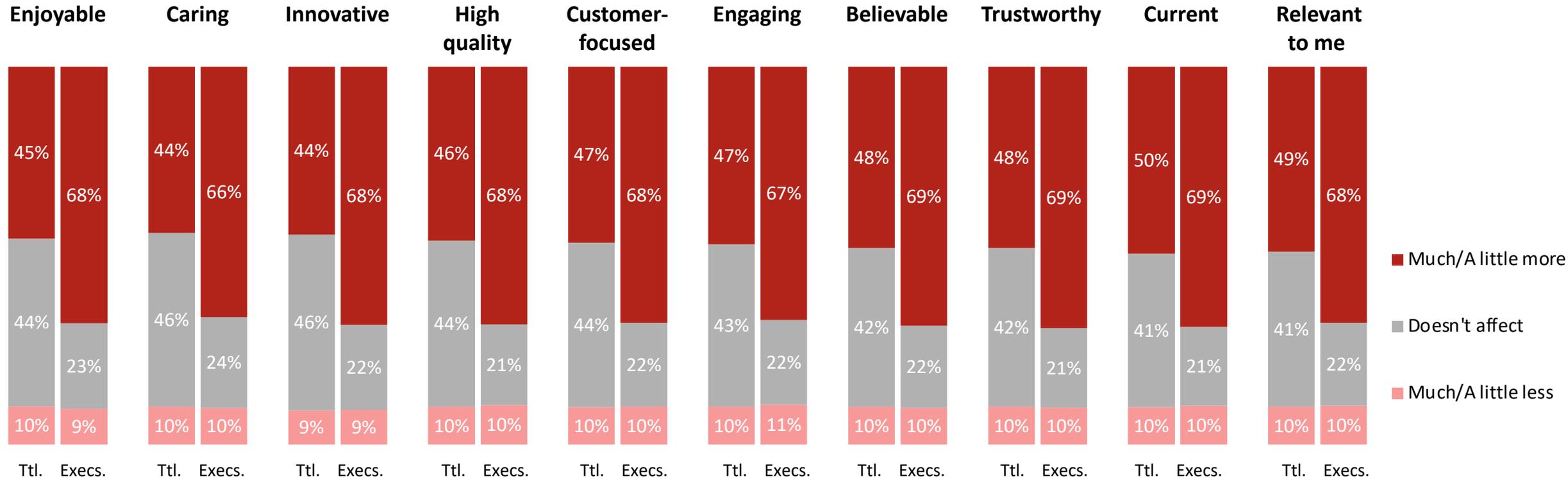


Professionals are even more positive than general consumers about brands advertising in the News.

For professionals, there can be as much as a 26 percentage-point lift in trustworthiness compared to general consumers.

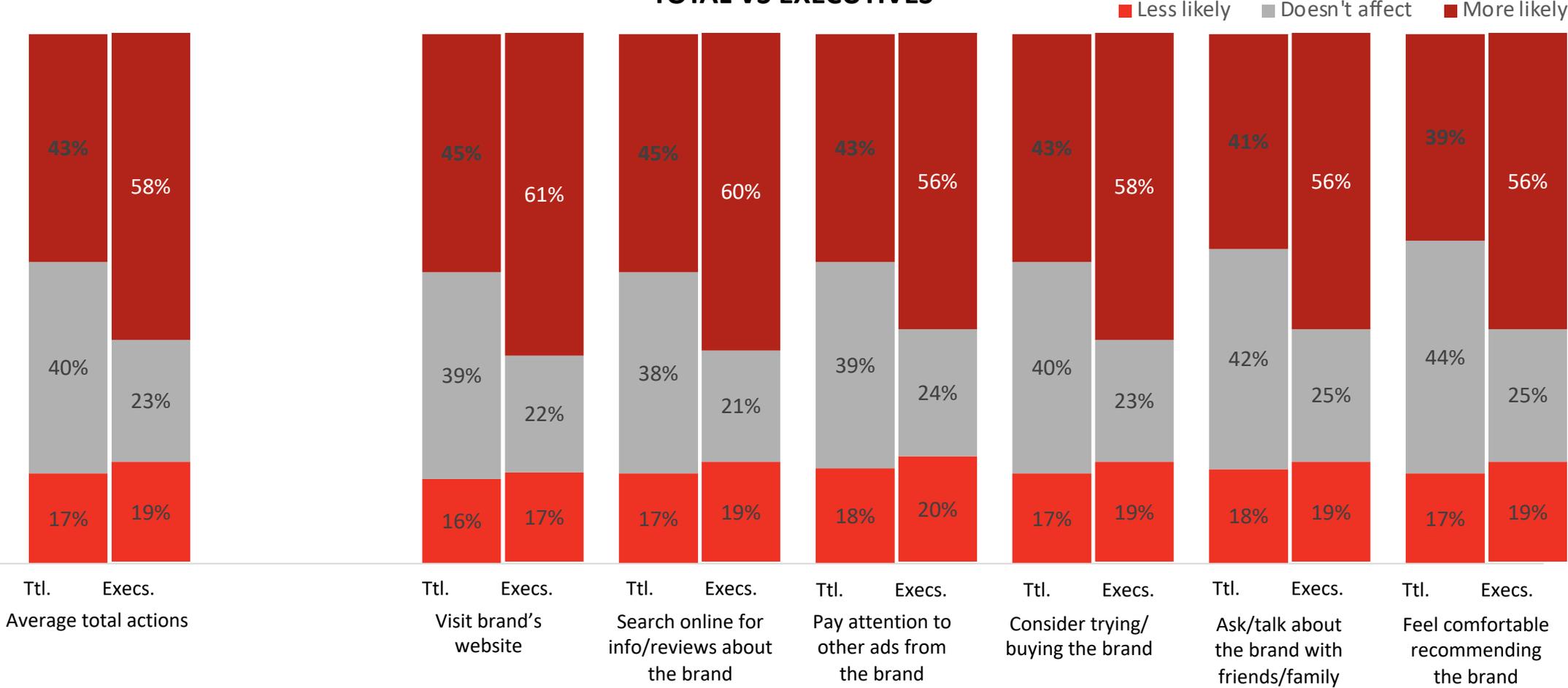
Executives like brands that advertise in the News even MORE (vs. total)

IMPACT ON BRAND ATTRIBUTES (FOR ADS IN NEWS) TOTAL VS EXECUTIVES



After ad exposure, executives have a greater likelihood to take ACTION

IMPACT ON BRAND ACTION (FOR ADS IN NEWS) TOTAL VS EXECUTIVES



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The Interactive Advertising Bureau empowers the media and marketing industries to thrive in the digital economy. Its membership is comprised of more than 650 leading media companies, brands, and the technology firms responsible for selling, delivering and optimizing digital ad marketing campaigns. The trade group fields critical research on interactive advertising, while also educating brands, agencies, and the wider business community on the importance of digital marketing. In affiliation with the IAB Tech Lab, IAB develops technical standards and solutions. IAB is committed to professional development and elevating the knowledge, skills, expertise, and diversity of the workforce across the industry. Through the work of its public policy office in Washington, D.C., the trade association advocates for its members and promotes the value of the interactive advertising industry to legislators and policymakers. Founded in 1996, IAB is headquartered in New York City.

About Magid

Magid is a consumer-centered business strategy company delivering courageous thinking that shapes better experiences, products and services. Since 1957, thousands of local and global brands in over 40 countries have engaged the firm for bold ideas that have helped achieve innovation and success. The Magid team is passionately curious and driven by the pursuit of improving human experiences with every engagement.