

RESEARCH REPORT

European Advertising Consumer Research Report 2016

Consumer Awareness & Impact of European Self-Regulatory Programme for OBA



Independent research conducted by Ipsos MORI on behalf of TRUSTe and the EDAA



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INTRODUCTION



TRUSTe is committed to the ongoing success of the European Self-Regulatory Programme for OBA and we're proud to be an approved Icon and Certification provider.

Working with the EDAA and Ipsos MORI, we've developed this valuable benchmarking data that demonstrates the clear, quantifiable, and positive results of the European Self-Regulatory Programme across Europe. It is in the third year overall and fifth since GB benchmarking, the research now covers 15 European markets and gives brand advertisers, ad networks, regulators and journalists insight into the sustained growth and success of the European Self-Regulatory Programme across Europe.

Results in 2016 show increased awareness and sustained benefits of this important self-regulatory initiative that promotes the key values of transparency and control in advertising choices for European consumers. The achievements of the Programme, highlighted in this year's data, continue to highlight the need for ongoing support from both the industry and regulators.

Chris Babel, CEO TRUSTe



The 2016 Consumer Research Report, in conjunction with TRUSTe and Ipsos MORI, shows sustained user recognition and understanding of the European Self-Regulatory Programme on OBA, which seeks to provide internet users across Europe with greater transparency and control.

This year's research adds impressive insights from Romania, where a consumer awareness campaign was launched for the first time. Romania immediately jumped to the middle of the pack with 19% in awareness of the OBA Icon with Admarker. Major improvements, based on the 2015 results have also been recorded in Portugal and Greece where over 50% of those surveyed recognised the Icon with Admarker, unaided. In Great Britain - the largest digital advertising market in Europe - 34% of those surveyed (up from 13% in 2012) now recognise the Icon with Admarker. Overall, recognition and awareness has shown a dramatic improvement across the board.

This research comes as the European data privacy landscape continues to shift and create market uncertainty. However - despite this - it is clear that this EU-wide initiative, which responds to new technologies, evolving commercial models and changing user behaviour, is delivering significant value to users, businesses, and also regulators. It should therefore be an essential part of the privacy toolkit.

Nick Stringer, Chair, EDAA

EXECUTIVE SUMMARY OF RESEARCH FINDINGS

The 2016 European Advertising Consumer Research Report captures a panoramic view of consumer attitudes and awareness of the European Self-Regulatory Programme for Online Behavioural Advertising (OBA) across Europe.

The study was conducted by Ipsos MORI, on behalf of TRUSTe and the EDAA. Fieldwork ran from the 4th - 20th November 2016 with over 15,000 adults across 15 different European countries who were interviewed online.

Selected countries - Belgium, Bulgaria, Finland, France, Germany, Great Britain, Greece, Hungary, Ireland, Italy, Poland, Portugal, Romania, Spain and Sweden - were chosen for their diversity both in geography and the implementation status of the European Self-Regulatory Programme. Tracking data is available for thirteen of these markets as TRUSTe and the EDAA also included them in comparable research conducted in 2015.

The industry relies on advertising and it's critical that more consumers understand the important role ads play in supporting the delivery of online content and services often at little to no cost. Concurrently, it is also important to inform consumers about mechanisms in place to manage their preferences for online behavioural advertising, such as the OBA Self-Regulatory Programme.

Results continue to show that awareness of the OBA Icon continues to rise across Europe and those who have seen the Icon are choosing to find out more with at least 1 in 4 consumers in fourteen European markets clicking on the Icon. The Programme can have a positive effect on attitudes too, with favourability towards online behavioural advertising rising in all countries surveyed if consumers have a way to opt-out.

A summary of key findings is presented below:

- Consumer awareness of the OBA Icon with Admarker is highest in Portugal (59%), Greece (52%) and Ireland (39%), followed by Great Britain (34%) where awareness has risen steadily for five consecutive years. All four markets made significant gains, compared to 2015, led by Portugal's 19% growth.
- Across two-thirds of countries surveyed the recognition of the OBA Icon is greater when accompanied by the Admarker text e.g. "AdChoices". Recognition in the other countries was the same despite the presence of the Admarker text.
- At least 1 in 4 (25%) of the respondents who are aware of the Icon in either format have clicked on the Icon in 14 of the 15 European markets surveyed (note: Hungary is nearly there at 22%).
- Understanding of the Icon was largely constant. When those aware of the Icon in either form were asked what they believed the meaning of the Icon was, it was true that in 12 of the 15 countries "Managing your privacy preferences" was one of the top two options selected when asked what it meant. This is roughly in-line with 11 out of 13 countries in 2015, but greater than 2014 when only 4 countries responded accordingly.
- In all countries, more than 1 in 5 respondents said the Icon makes them trust the brand being advertised more. Better still, in Portugal (66%) and Bulgaria (54%) the value exceeds 1 in 2.

BACKGROUND TO THE EU SELF-REGULATORY PROGRAMME FOR OBA

Internet users want control over their privacy on the Internet. However they also acknowledge the important role that online advertising has to play in making content and services available, often at little or no cost. The European Self-Regulatory Programme for Online Behavioural Advertising (OBA) seeks to strike that balance by empowering consumers with greater contextual transparency and control.

At the heart of the European Self-Regulatory Programme on OBA is an interactive pan-European icon to identify ads that are delivered to internet users through Online Behavioural Advertising (OBA).



This icon is a consumer-facing, interactive symbol that links consumers to mechanisms to control their preferences, including an online portal, <http://www.youronlinechoices.eu>, where they can find easy-to-understand information on the practice of OBA as well as a mechanism for exercising informed choice – if they so wish, consumers may ‘turn off’ OBA for some or all companies.

The European Interactive Digital Advertising Alliance (EDAA) is the organisation responsible for administering the European Self-Regulatory Programme for OBA across Europe and licensing the use of the OBA Icon and preference management platform.

Third Party participants that demonstrate full compliance with the Programme will be granted the EDAA Trust Seal from one of a number of approved independent certification providers.

To receive the Trust Seal, participants must ‘self-certify’ their compliance with their own declaration of compliance, backed up with evidence and detailed information about a participant’s OBA policies and practices. This must happen before undergoing an independent verification of compliance, which requires a 30-day period of continuous monitoring of compliance.

The EDAA Trust Seal is envisaged to have significant market value to compliant businesses, conveying a sense of trust and good standing from consumers and business partners towards the company that receives it.

TRUSTe, amongst others, has been approved by the EDAA as both an Icon and Certification provider for the European Self-Regulatory Programme.

The Programme is also enforced by the relevant advertising Self-Regulatory Organisation (SRO) in each country (e.g. the ASA in the UK). If businesses are not compliant then the enforcement sanctions could involve remedial action; a formal investigation, leading to the adjudication being published or bringing a company’s continued non-compliance to the attention of a third party’s potential clients and partners. Further sanctions include removal of the Trust Seal and withdrawal of the OBA Icon. For non co-operative, serious, persistent and/or deliberate offenders, the SRO may also refer the company to the competent national regulatory authority e.g. the Information Commissioner’s Office (ICO) in the UK.

EDAA'S CONSUMER AWARENESS CAMPAIGN

Education is a core principle behind the European Self-Regulatory Programme, and the EDAA launched a pan-European consumer awareness campaign in 2013 to help empower European citizens to make their own choices about online advertising.

The campaign provides information about the OBA Icon and the www.youronlinechoices.eu website to the general public. The campaign aims to increase awareness and understanding of the Programme, whilst enhancing consumer transparency and control. Consumers are empowered through greater awareness of their online ad choices and also learn how online advertising helps to fund sites and services they use.

Between 2013 and the end of 2016, the EDAA will have run the campaign across 13 different countries - including a new campaign in Romania in 2016, which was running concurrently with this year's research.

To date the campaign has delivered over 915m total impressions and 218m unique impressions across all markets so far. In addition, more than 926,000 clicks have been made with an average click through rate (CTR) of 0.10.

Impressions delivered across Europe

| | DE(1)* | DE(2)* | UK | IT | ES | GR | FR | BG | FI | PT | IE | HU | SE | RO** | |
|------------------------------|------------|------------|------------|------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|------------|-------------|----------------|
| Impressions | | | | | | | | | | | | | | | Campaign Total |
| Total (in millions) | 221 | 136 | 112 | 110 | 56 | 42 | 38 | 36 | 34 | 33 | 27 | 26 | 33 | 27 | 915 |
| Uniques (in millions) | 75 | 39 | 26 | 17 | 13 | 4 | 7 | 7 | 7 | 7 | 3 | 4 | 2.5 | 6.5* | 218 |

The awareness campaign in Romania, thus the figures outlined above are the latest available.

Clicks delivered across Europe (including CTR)

| | DE(2)* | DE(1)* | UK | IT | ES | BG | IE | RO** | GR | PT | FI | HU | FR | SE | |
|--------------|----------------|----------------|----------------|----------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|--------------|----------------|
| Clicks | | | | | | | | | | | | | | | Campaign Total |
| Total | 242,856 | 169,739 | 107,881 | 102,829 | 67,726 | 50,032 | 37,386 | 35,264 | 30,937 | 24,816 | 17,110 | 16,013 | 14,701 | 9,147 | 926,437 |
| CTRs | 0.18 | 0.08 | 0.1 | 0.11 | 0.12 | 0.14 | 0.14 | 0.16* | 0.07 | 0.08 | 0.05 | 0.06 | 0.04 | 0.04 | 0.1 |

*Two campaigns were run in Germany, in 2013 (DE1) and 2015 (DE2)

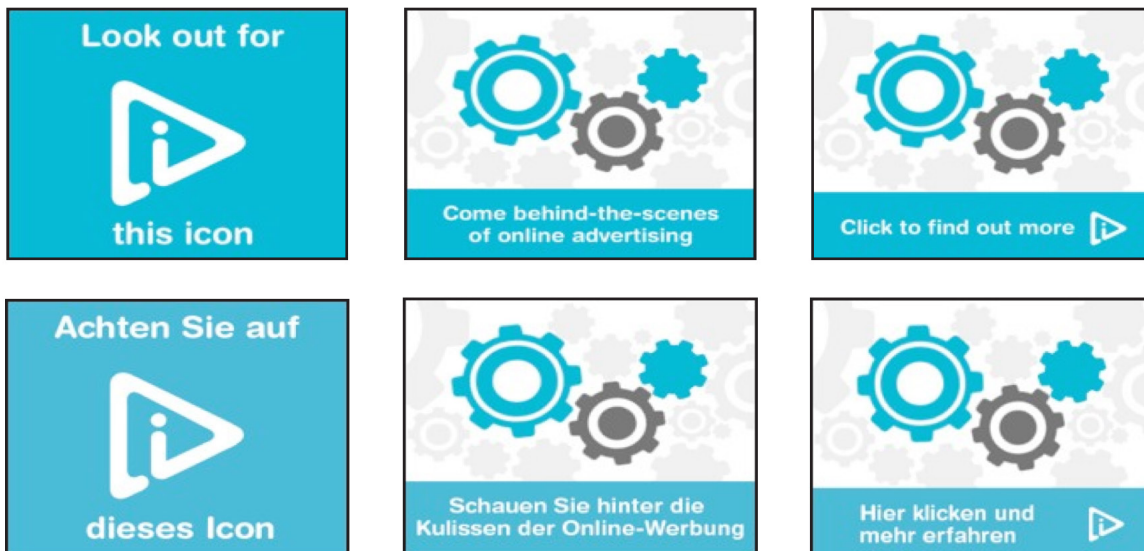
**At the time of data collection and publication the campaign in Romania was still running.

Current creative assets

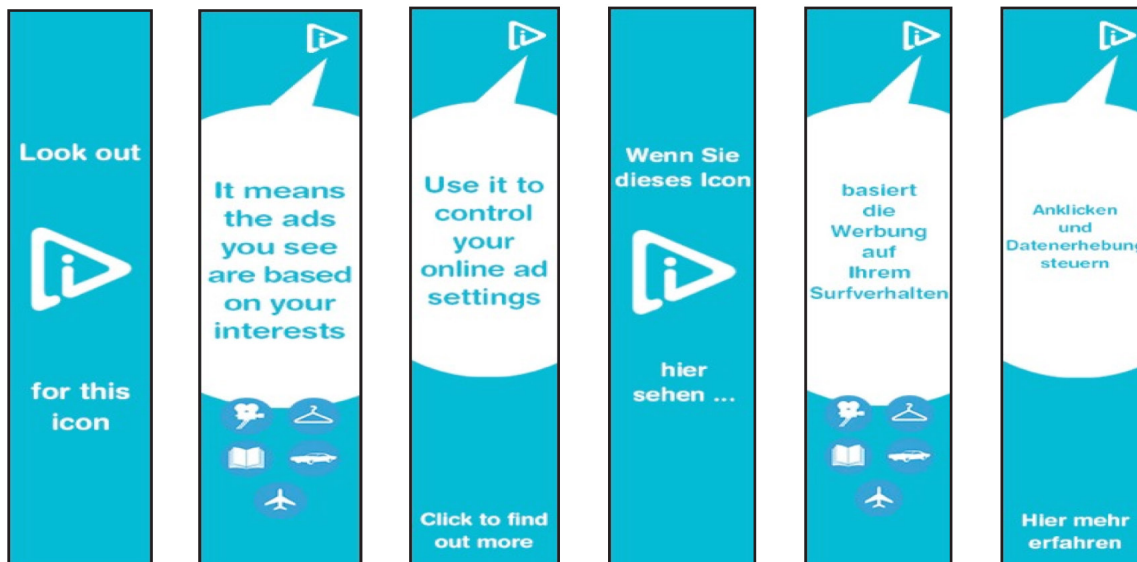
The EDAA developed three unique designs (Inner Workings, Icon Zoom and User Control) with two different copy messages for the Inner Workings version. These creatives were implemented in Q4 2015, replacing the previous creative assets, and have demonstrated increased consumer engagement.

A few examples of the English and German language versions are shown below. Creatives have been translated into local language for all campaigns carried out.

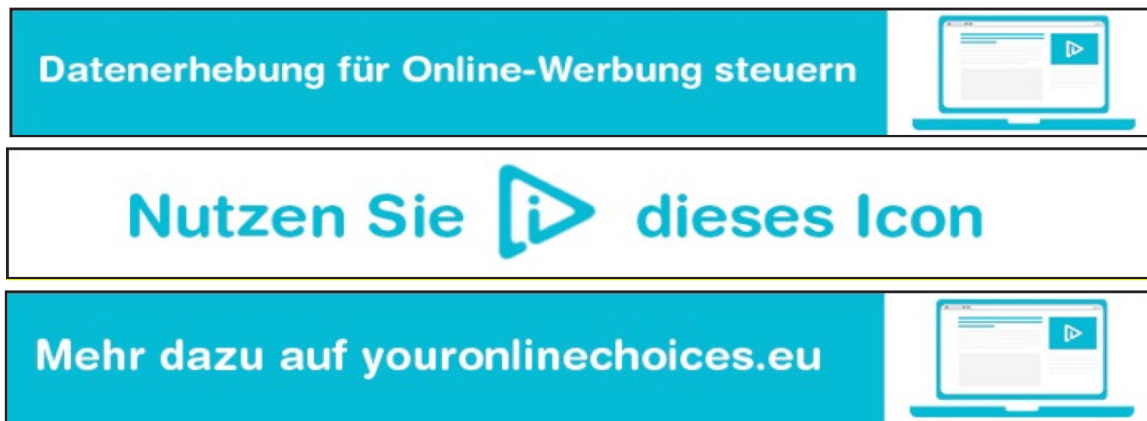
Inner Workings



Icon Zoom



User Control



SURVEY METHODOLOGY

Sampling

Interviews were carried out on Ipsos MORI's online i:Omnibus service using a quota sample of adults who are members of Ipsos' European Online Panel. For each country, quotas were set according to age, gender and region. The ages of adults interviewed for each country were as follows: Great Britain and France (adults aged 16-75), Germany, Italy and Belgium (adults aged 16-70), Spain and Sweden (adults aged 16-65), Hungary, Poland and Romania (adults aged 16-60), Finland and Ireland (adults aged 18-65), Portugal and Bulgaria (adults aged 18-55), and Greece (adults aged 18-50).

The following number of adults in each country report having seen the icon in either form (either with the Admarker or without it): Belgium - 145 of 1,091, Bulgaria - 230 of 1,000, Finland - 154 of 1,001, France - 197 of 1,100, Germany - 126 of 1,077, Great Britain - 408 of 1,100, Greece - 549 of 1,000, Hungary - 282 of 1,081, Republic of Ireland - 411 of 1,001, Italy - 129 of 1,082, Poland - 136, Portugal - 607 of 1,000, Romania - 233 of 1,086, Spain - 222 of 1,089, Sweden - 106 of 1,100.

Weighting

Across all countries data are weighted by age, gender, region and working status to the known offline population profile. For some countries, additional weighting criteria are included. Data for Great Britain are also weighted by social grade (using the NRS social grade classification system), while data for Germany are weighted by household size.

Data Quality

The work was carried out in accordance with the requirements of the international quality standard for market research, ISO 20252:2006, as well as ISO 9001:2008, the international general company standard with a focus on continual improvement through quality management systems and ISO 27001:2005, the international standard for information security. Further, Ipsos MORI is required to comply with the UK Data Protection Act, which covers the processing of personal data and the protection of privacy.

Furthermore, all online research carried out by Ipsos MORI is done so in accordance with ESOMAR guidelines relating to online research (for more information, please see here: <https://www.ipsos-mori.com/Assets/Docs/Techniques/ESOMAR-28-Questions.pdf>)



DETAILED FINDINGS

The European Advertising Consumer Research Report 2016 was commissioned by TRUSTe and the EDAA, to assess the ongoing progress of the European Self-Regulatory Programme for OBA against clear benchmarks.

Questions were developed with the intent of measuring attitudes and perceptions of the European Self-Regulatory Programme. Additionally, the research sought to determine the current levels of recognition and understanding of the OBA Icon. This is the third year of collecting and analyzing research, enabling a year-on-year comparison with last year's data based on a comparable question set.

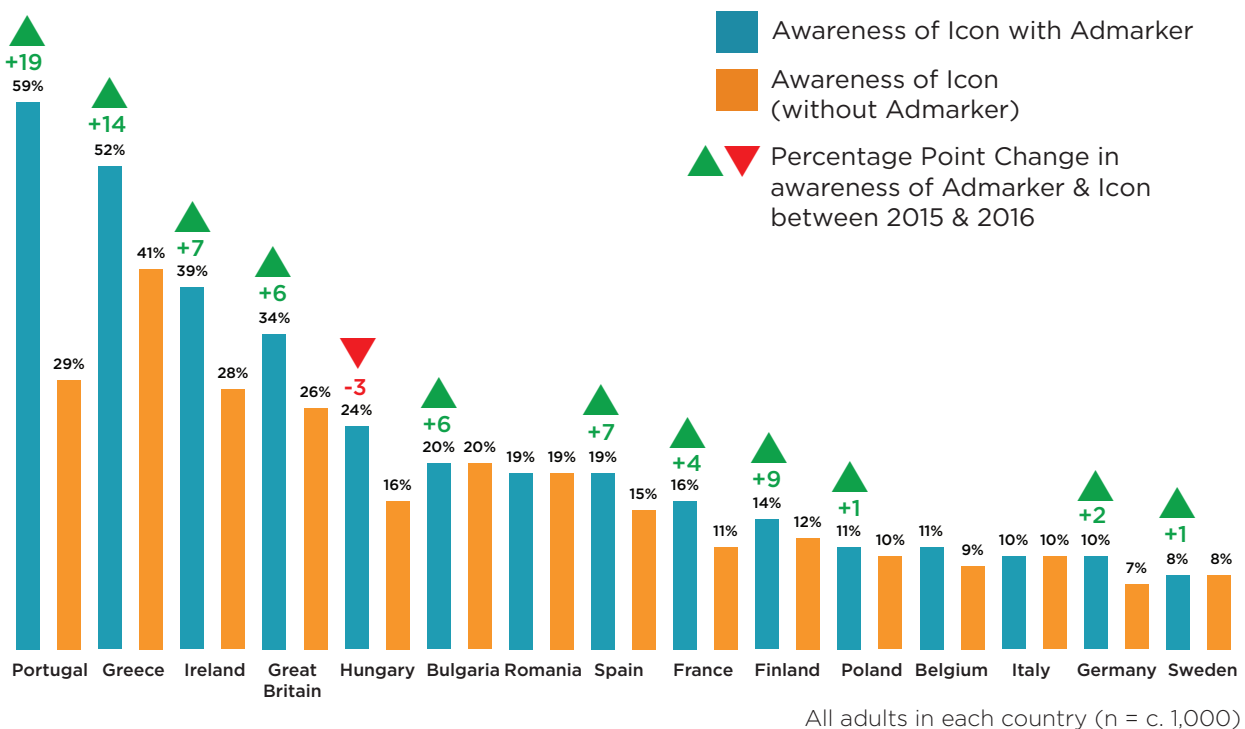
Awareness of the OBA Icon

Consumers were asked whether, they had seen either the OBA Icon or the OBA Icon accompanied by the Admarker text at any time before the survey. The GB version of the Icon and text is shown below, although the standard localised versions were shown for the fifteen different European markets where the research was conducted. The order of the two options was rotated within the questionnaire.

1. AdChoices 
2. 

The table below shows the percentage of consumers who demonstrated un-aided recognition of the OBA Icon. The countries are listed in order of those who had seen the OBA Icon + Admarker with the comparable percentage of OBA Icon without AdMarker.

Awareness of the OBA Icon with and without Admarker.



Awareness of the OBA Icon with Admarker

Overall the results show that recognition of the OBA Icon with Admarker continues to rise .

Recognition of the OBA Icon with Admarker has increased in 11 out of 13 markets where tracking data is available (Belgium and Romania were not tracked in last years' report), and only Hungary showed a slight dip (-3 percentage points). Greece, where OBA Icon with Admarker recognition dropped slightly (-1 percentage points)

in the 2015 survey rebounded significantly, increasing by 14 percentage points. Greece’s increase in awareness was only outdone by the 19 percentage points growth seen in Portugal. Portugal not only leads all countries with 59%, yet it is also the highest awareness seen in the three year history of the benchmark. It is encouraging to see the extent to which awareness levels have a visibly long lasting impact, with awareness either increasing or remaining constant. Greece, Poland and Sweden have improved this year, after showing a drop in 2015. Recognition in four countries was the same despite the presence of the Admarker text.

Awareness of the OBA Icon (without Admarker)

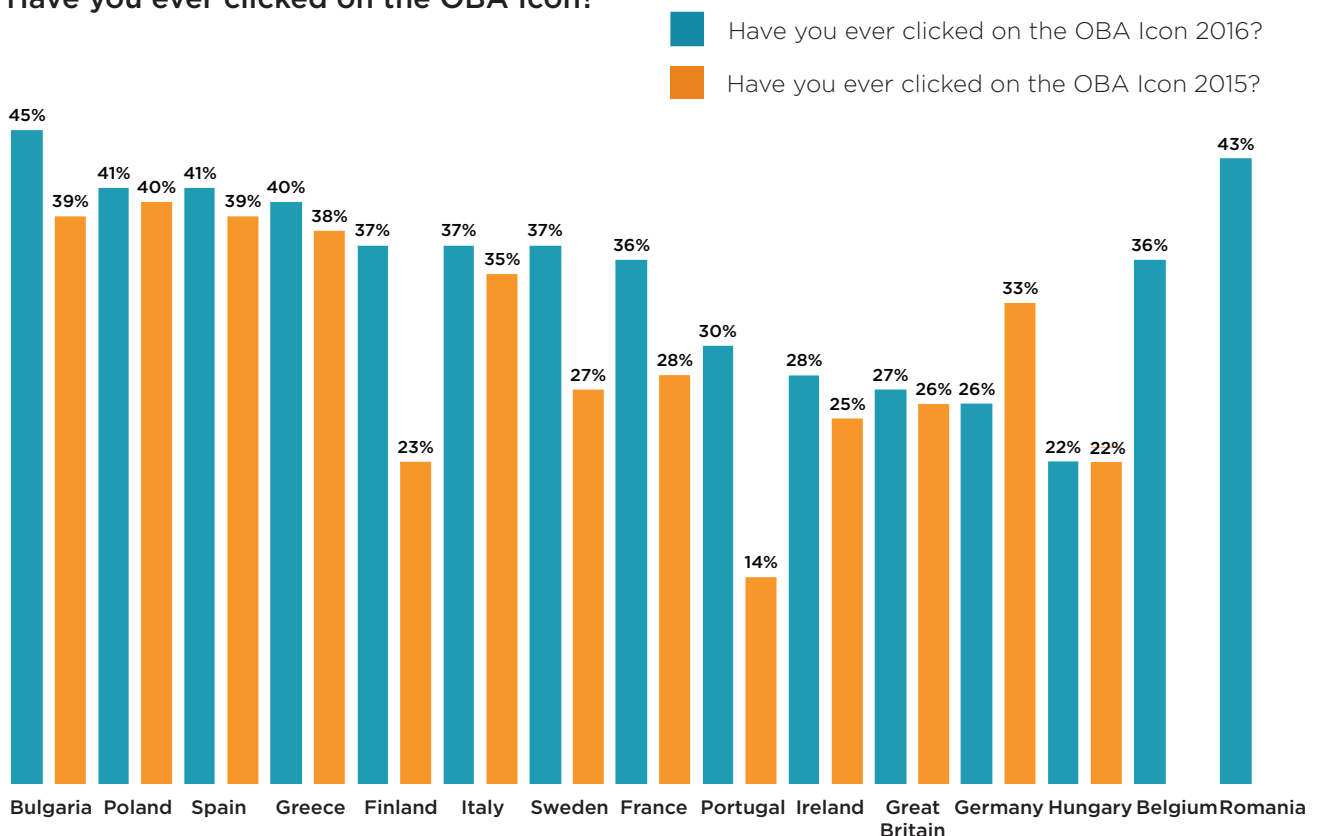
The three countries that showed the greatest yearly gains in recognizing the OBA Icon with Admarker also showed a similar lift when only the Icon was displayed (19 percentage points in Portugal with Admarker and 16 percentage points without, 14 percentage points in Greece with and 11 percentage points without, and 9 percentage points in Finland with and 7 percentage points without). This may suggest that the Icon on its own is increasing in recognition and recall. Great Britain is the only country for which long-term tracking data exists and here awareness of the Icon with Admarker continues to rise from 13% in 2012 to 22% in 2013, 26% in 2014, 28% in 2015, and now 34% in 2016 indicating a steady upward trend.

Across nearly all countries surveyed the recognition of the OBA Icon is greater when accompanied by the Admarker text e.g. “AdChoices”. This is particularly striking in Portugal where awareness of the Icon + Admarker text is 59%, the highest across all the markets surveyed. This drops to 29% when the Icon is used in isolation.

Engagement with the OBA Icon

Respondents that recognised the OBA Icon were then asked if they had ever clicked on the Icon. The results show the extent of interaction with the Icon across Europe with at least 1 in 4 users having clicked on the Icon in all but one (Hungary) of the 15 European markets surveyed. Of the 13 countries that were included in last year’s survey, 11 showed a higher propensity to click this year (exceptions: Germany and Hungary). The click rates of 3 of these 13 countries with trackable data grew by 10 percentage points or more (Sweden, Portugal, and Finland). This may reflect the relative effectiveness of their local awareness campaigns.

Have you ever clicked on the OBA Icon?



Understanding of the Icon

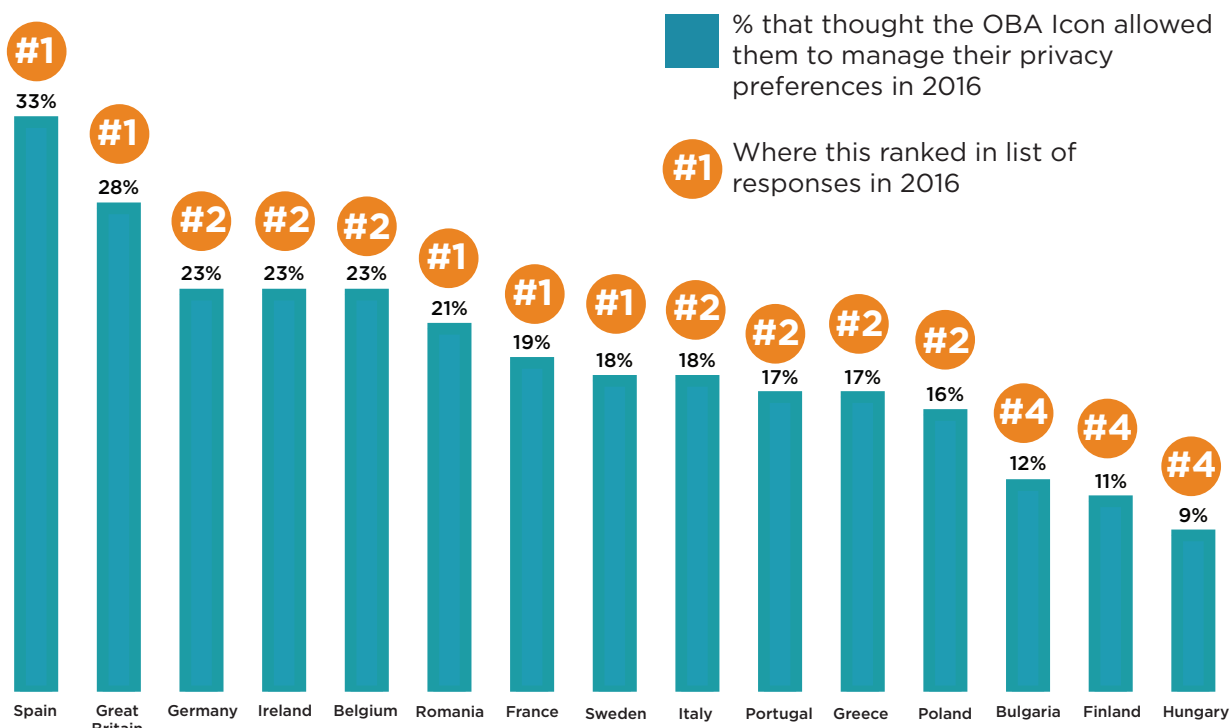
All respondents who were aware of the Icon were then shown a sample advert and asked which of the following responses they thought best described what they thought the Icon meant. (Finnish version shown - localised for all European markets)



Which of the following, if any, do you think BEST describes what the icon shown on this ad means?

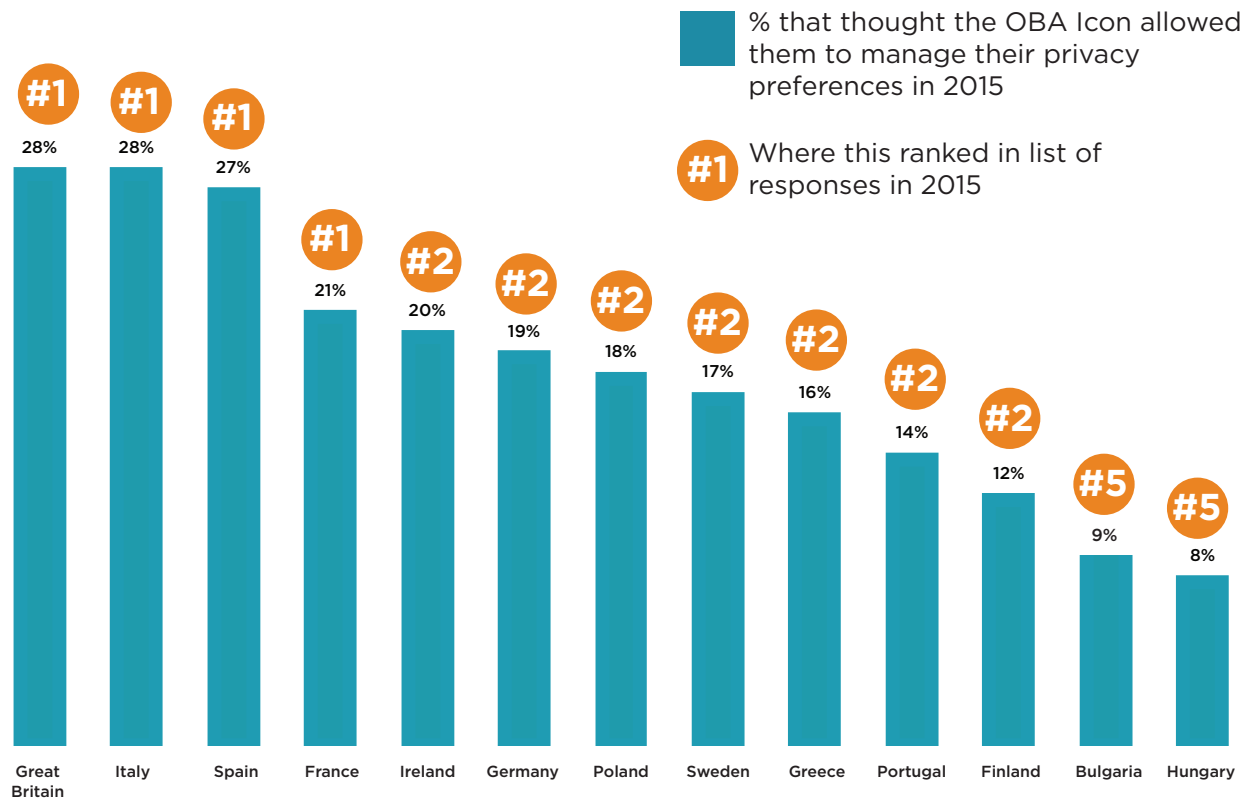
1. The logo of the brand being advertised
2. Click to see a video
3. Click to manage your privacy preferences (% selecting this code shown in charts)
4. This is a safe advert
5. Click to visit the brand's website
6. Click to exit the advert
7. Other
8. Don't know

2016 RESULTS



The graph above indicates that Spain, Great Britain, Germany, Ireland and Belgium top the list of countries where the meaning of the Icon is best understood. Understanding of the Icon was largely constant, retaining earlier awareness gains. When consumers were asked what they believed the meaning of the Icon was, “managing their privacy preferences” was a top two choice in 12 out of 15 countries surveyed. This is roughly the same as 11 out of 13 countries in 2015, but greater than 2014 when only 4 countries in 10 responded accordingly. In some countries, there were increases in understanding compared with 2015 (see graph below), most notably in Poland and Greece where 17% and 16% of consumers respectively understood the Icon helped them to manage their privacy preferences compared with each having 8% in 2015. Hungary, Bulgaria, and Finland show that while awareness of the Icon may be on par with other European markets at 24%, 20% and 14% respectively, there is still more to be done to increase understanding of its purpose.

2015 RESULTS



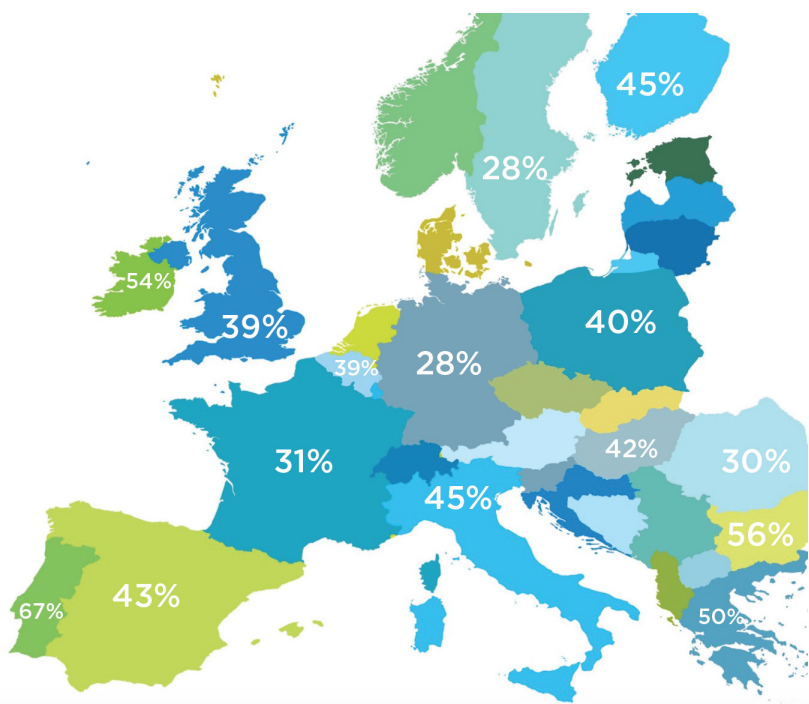
Impact of the European Self-Regulatory Programme on Attitudes to OBA

To close the circle for consumers, companies involved in the collection and use of data for OBA purposes must integrate onto the “Consumer Choice Platform” at www.youronlinechoices.eu (YOC), providing consumers with the option to ‘turn off’ (or turn back on) this data collection and use by some or all participating companies. This consumer choice and control is a core component of the European Self-Regulatory Programme.

Consumers were shown an image of the www.youronlinechoices.eu website homepage (United Kingdom version shown here - the survey was fully localised for European markets) alongside an explanation that this is where they can find information about online behavioural advertising, manage their preferences, and/or make a complaint about a company’s use of online behavioural advertising to their national advertising standards body.

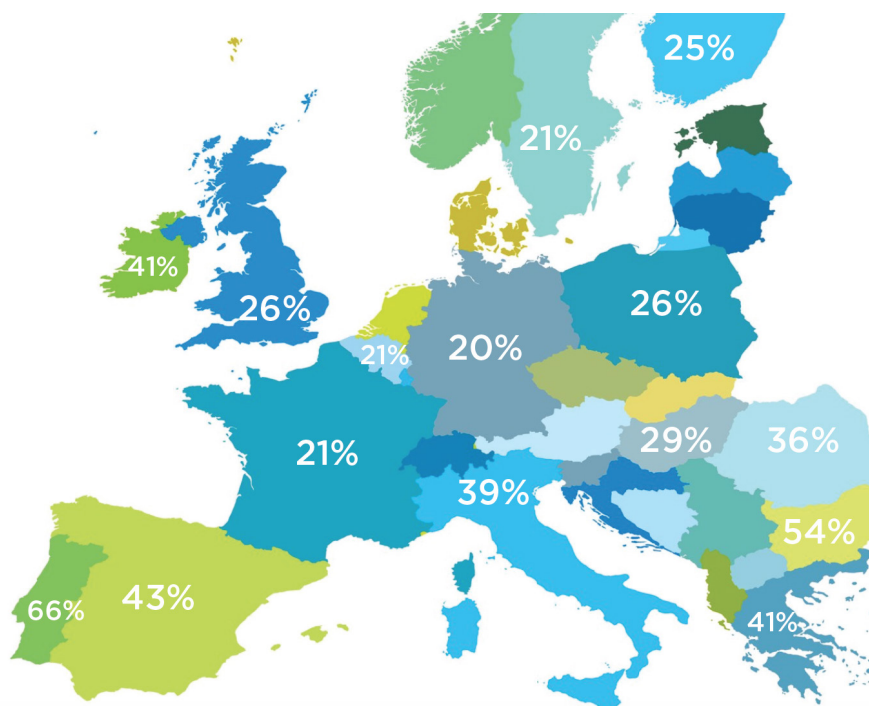


Consumers were asked about the extent to which having this information available to them, and the option of managing their privacy preferences, would make them more or less favourable towards the concept of Online Behavioural Advertising:



Favourability towards OBA increases due to the Programme

Many countries saw an increase in favourability for the concept of OBA through the European Self-Regulatory Programme in 2016. Four countries demonstrated that the Programme delivers over 50% favourability (Portugal 67%, Bulgaria 56%, Ireland 54%, and Greece 50%). The increase in favourability across all surveyed respondents was 44% among 18-50 year olds in all countries.



Programme increases in trust for brands being advertised

Respondents were then asked what impact the option of managing their privacy preferences had on their levels of trust in the brand being advertised. As seen in the past, results show the impact of the Programme on elevating the level of trust in the brands being advertised. At least 1 in 4 participants in eleven of the fifteen countries said this makes them trust the brand being advertised more. Better still, in Portugal (66%) and Bulgaria (54%) the value exceeds 1 in 2.

CONCLUSIONS

In the third year of conducting consumer research, the European Advertising Consumer Research Report 2016 continues to extend the measurement of the effects that the European Self-Regulatory Programme has on OBA consumer recognition and perceptions across a growing set of European markets. Each year’s expansion enhances the results of the ongoing benchmark, providing valuable insights on the progress of the Self-Regulatory Programme and its impact on consumer recognition and sentiment.

Recognition of the icon with Admarker increased by a statistically significant extent in eight of the countries.

1. Recognition of the OBA Icon shows continued improvement and the Admarker makes a big impact

Recognition of the OBA Icon with Admarker held or improved in all but one of the countries, and eight countries saw a statistically significant improvement. The median growth across comparable markets was a significant 6% over 2015.

Great Britain has seen year-on-year increases (from 13% in 2012 to 34% in 2016). Recognition is highest in Portugal, Greece, Ireland, Great Britain and Hungary, with Portugal leading the way, growing by 19 percentage points since 2015 to reach 59% recognition - a new high for our research. The largest shifts in recognition between 2015 and 2016 occurred in Portugal and Greece, each experiencing double-digit growth. Continuing a trend for a third straight year, the study highlights the importance of the Icon’s accompanying text (e.g. “AdChoices” in GB), with levels of recognition increasing by as much as 30 percentage points (Portugal), and demonstrating enhanced recognition in all but 4 of the 15 markets when consumers are served the explanatory text.

2. A large number of consumers actively engage with the OBA Icon and want to learn more

The results highlight that at least 1 in 4 consumers who are aware of the Icon say they have clicked on it in fourteen of the fifteen markets surveyed. Eleven of the thirteen markets with trackable data showed year-over-year click growth. This indicates that consumers are actively engaging with the Icon and want to learn more. The OBA Icon is providing consumers with notice about OBA and is clear, visible and contextual. The Icon plays an essential role in guiding consumers to a central website, www.youronlinechoices.eu, which in 2016 (Jan-Nov) has received an average of 1.9 million unique monthly visits.

3. Continuous improvements in consumer understanding of the initiative

The results show that the level of understanding of the Self-Regulatory Programme remains strong, with consumers in twelve of fifteen (80%) countries correctly identifying the meaning of the OBA Icon in their top two choices in 2016, comparable to eleven of thirteen (85%) countries last year but far above the four of ten (40%) in 2014. Out of the three 2016 countries where proper recognition was not a top-two response Bulgaria and Hungary showed improvement. Only Finland seemed to regress (top 2 in 2015 but #4 in 2016), which the Programme will seek to address in the coming year. There is nevertheless room for improvement, with this research identifying those markets where more industry effort is needed to educate consumers. The EDAA is committed to constantly improving consumer-facing information through a pan-European online portal, www.youronlinechoices.eu, available in 33 markets and 27 languages, whilst companies also have a key role to be open and clear with their consumers regarding their OBA practices.

4. Online Behavioural Advertising can deliver a favourable and personalised experience, where consumers have meaningful choice and control

When presented with the Self-Regulatory Programme, a high proportion of adults are more favourable towards the concept of OBA; in three countries more than half of participants say this. It is clear that consumers, when given clear choice and control mechanisms, are more inclined to favour OBA. In all countries surveyed, at least 1 in 4 respondents saw an increase in favourability. Relevance is important; so too is choice and control. Finally, more than 1 in 5 of all consumers surveyed in each country by extension viewed the brands being advertised in a more favourable light with respect to their trustworthiness.

5. The European Self-Regulatory Programme is clearly demonstrating a positive impact with consumers and continued investment should continue to increase the benefit for businesses

The results of the 2016 study show that the Programme has delivered a sustained and growing impact on the favourable perceptions of OBA amongst European consumers. The effects have yet to plateau suggesting that there is continued opportunity for improvement. The improvements gained since the Programme's inception have been experienced by all markets and as new markets are added, similar improvement is seen.

Some markets are quicker to see the gains in favourability with Portugal leading the way. There, 2 in 3 consumers feel more favourable towards the concept of OBA when presented with details of the Programme. This suggests a strong upside for continued growth in other markets where improvement is sustained but has not reached that level, or even higher future levels that Portugal may very well attain.

Association with the Programme also delivers greater future potential for significant increased brand trust across all markets, with 1 in 5 respondents or more in all countries saying they trust the brand being advertised more after being presented with information about the Programme; this exceeds 50% in Bulgaria and Portugal. Developing trust is fundamental to the ongoing relationship between consumers and brands. Advertisers should pay close attention as the data helps to quantify the impact of participation in the Programme and the extended effect it has on the buy-side of the ad chain. In 2016, we continued to observe that OBA Self-Regulation provides tangible benefits for businesses in the online advertising ecosystem throughout the industry supply chain. As businesses create and execute advertising plans for 2017 and onward, in European markets they should increasingly utilise the EDAA Trust Seal - a symbol that has demonstrated a sustained and positive improvement for delivering trust and instilling confidence.



Powered by  TRUSTe

ABOUT TRUSTE

TRUSTe powers privacy compliance and risk management with comprehensive technology, consulting and certification solutions. We have nearly 20 years' experience across all industries and a team of more than 150 professionals developing innovative solutions to address global regulatory and data protection requirements that govern the use of customer and employee information. Our award winning Data Privacy Management Platform addresses all phases of privacy management including program development, data inventory, risk assessments, monitoring, and compliance reporting. Companies worldwide rely on TRUSTe to demonstrate compliance, minimize risk, and build trust. See <http://www.truste.com>

ABOUT THE EDAA

The European Interactive Digital Advertising Alliance (EDAA) is a non-profit organisation based in Brussels and is responsible for enacting key aspects of the Self-Regulatory Programme for Online Behavioural Advertising (OBA) across Europe since its launch in October 2012. EDAA principally acts as the central licensing body for the OBA Icon and provides technical means for consumers to exercise transparency and control over OBA through the youronlinechoices.eu online consumer choice platform. EDAA is governed by EU-level organisations which make up the value chain of OBA within Europe and acts to ensure European consistency in approach. More information can be found at www.edaa.eu