

Advertising Policy and Social Media

Omnicom is the world's second largest advertising holding company, managing \$38 billion in annual client marketing expenditures. Omnicom's clients include Disney, Facebook's top U.S. advertiser from January to June 2020¹, and Apple, which spent more than \$100 million at YouTube in 2020.² Omnicom itself is part of Facebook's client council, which advises on issues including content moderation.³

There is widespread concern that platforms like Google and Facebook may be failing to protect civil and human rights by supporting government censorship,⁴ facilitating white supremacist activity,⁵ and enabling voter suppression.⁶ Facebook has noted that, "One of the biggest issues social networks face is that, when left unchecked, people will engage disproportionately with more sensationalist and provocative content."⁷

Omnicom could face reputational and business risk if it is perceived to be contributing to the spread of racism, hate speech, and disinformation by facilitating advertising on social media platforms. Inadvertent promotion of harmful content by advertisers threatens user safety and brand value. Seventy percent of millennials and Gen Xers "will not like, recommend, or purchase from a brand whose ads appear next to offensive, hateful, or derogatory content."⁸

In 2018, after CNN found YouTube ran ads from major brands on extremist channels, one analyst said, "If brands want to make sure this stops, the only way for that to happen is for them to stop spending [on YouTube] until it's fixed." Advertisers are not passive bystanders when they inadvertently finance harm. Their spending influences what content appears online. For instance, Omnicom found some advertisers excluding content like "News and Current Events" from ad buys;⁹ journalism groups have asked that advertisers not block ads from financing credible journalism.¹⁰

According to House Speaker Nancy Pelosi, advertisers "have power to discourage platforms from amplifying dangerous and even life-threatening disinformation." However, steps taken to date appear to be insufficient. For instance, the Global Alliance for Responsible Media announced shared recommendations between social media platforms and advertisers, including common definitions for hate speech. Critics question its efficacy. As WIRED magazine observed: "It's fair to wonder whether a consortium that includes

¹<https://www.bloomberg.com/news/articles/2020-07-18/facebook-s-top-advertiser-disney-cuts-ad-spending-wsj-says#:~:text=Disney%20was%20Facebook's%20top%20U.S.,t%20clear%2C%20the%20newspaper%20Reported>

² <https://www.pathmatics.com/hubfs/Pathmatics%20Digital%20Video%20Report.pdf>

³<https://www.mediapost.com/publications/article/352987/zuckerberg-and-facebook-team-concede-trust-defici.html>

⁴ <https://impactpolicies.org/en/news/30>

⁵ <https://www.techtransparencyproject.org/sites/default/files/Facebook-White-Supremacy-Report.pdf>

⁶<https://int.nyt.com/data/documenthelper/533-read-report-internet-research-agency/7871ea6d5b7bedafb19/optimized/full.pdf#page=1>

⁷<https://www.facebook.com/notes/mark-zuckerberg/a-blueprint-for-content-governance-and-enforcement/10156443129621634/>

⁸<https://venturebeat.com/2018/07/25/adcolony-brands-are-worried-about-unsafe-content-and-fake-news-on-facebook-social-media/>

⁹https://www.omnicommediagroup.com/wp-content/uploads/2020/05/OMG_COVID-19_SocialMediaPricing_POV_22April20.pdf

¹⁰ <https://gfmd.info/emergency-appeal-for-journalism-and-media-support-2/>

Facebook and Google—the two dominant digital advertising companies—will produce any meaningful change to the status quo.”¹¹ The president of Color Of Change called the recommendations, “another reminder that the incentives are broken and government regulation is still needed.”

Resolved, shareholders request the Board commission an independent third-party report, at reasonable cost and omitting proprietary information, assessing how and whether Omnicom ensures its advertising policies are not contributing to violations of civil or human rights. The report should consider whether the policies contribute to the spread of hate speech, disinformation, white supremacist activity, or voter suppression efforts, and whether policies undermine efforts to defend civil and human rights, such as through the demonetization of content that seeks to advance and promote such rights.

¹¹ <https://www.wired.com/story/she-helped-wreck-the-news-business-heres-her-plan-to-fix-it/>