

CMO TODAY

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BUSINESS | CMO TODAY NEWSLETTER

# CMO Today: Google Bans 'Bad' Loan Ads

Here's your morning roundup of the biggest marketing, advertising and media industry news and happenings.



PHOTO: REUTERS

By **MIKE SHIELDS**

May 12, 2016 7:43 a.m. ET

**BAD ADWORDS:** It's no surprise that Google controls a massive portion of the digital ad

business. And typically, Google sells ads to anybody with a computer and a credit card, even if they are selling teeth whitening or belly-fat-reducing promises. But the company is drawing the line at companies that offer high-interest-rate payday loans, reports The Wall Street Journal. The reason for banning these companies is to “keep bad ads out” of its system, Google said in a blog post. Google, of course, is judge and jury in the case of what constitutes a bad ad, which is probably just fine by most people who don’t want to get entangled in predatory loans. But it’s another example of the kind of power that Google wields.

**PLATFORM POWER:** Speaking of a platform that makes up its own rules, Facebook is still embroiled in controversy over allegations that it suppressed conservative content in its trending topics. That has sparked many in the media and political worlds, as well as regular users, to start wondering how Facebook’s powerful algorithm really works. Facebook says its ever-changing news feed algorithm combs through 100,000 signals and creates a “relevancy score” to determine what content to show to each user, reports WSJ. But there’s still a human workforce involved. “Facebook’s news feed team needs a human touch because ranking based purely on algorithms would feel unnatural, the same way that robots today do not appear quite human,” said a former Facebook product leader. As Recode reports, Facebook has been paying publishers to create more live videos that can show up prominently on users’ news feeds, so it’s not like the platform has ever felt entirely democratic.

**SPRINGER FORWARD:** Axel Springer was once known as a newspaper giant in Europe, and in the U.S., it was “Axel who?” Now the company is becoming something of a foreign venture-capital firm for American digital media brands, with a majority stake in Business Insider and investments in a dozen U.S. startups like Thrillist, Mic.com and NowThis. Axel Springer isn’t just dabbling in the U.S. Chief Executive Mathias Döpfner told The Wall Street Journal that it wants to become the “leading digital publisher” in the country, challenging new-media companies like BuzzFeed, Huffington Post and Vice. Given those lofty ambitions, it makes you wonder: Which companies does Mr. Döpfner want to buy next?

**RETAIL REVOLUTION:** Retailers continue to drive a huge chunk of the growth in digital advertising, a trend that should continue through 2020 as more and more people shop on the Web and their mobile phones, reports CMO Today. But the e-commerce revolution hasn’t been good news for all the players in this world. Even as it has accelerated its investment in e-commerce, Macy’s reported its worst quarterly sales since the recession, reports WSJ. It’s no secret that people aren’t going to malls and departments stores as much as they used to, but Macy’s executives expressed some

befuddlement as to why consumers aren't spending more across the board. The Web is a likely culprit, said Chief Financial Officer Karen Hoguet: "I think part of this is a result of the Internet, where every promotion happens across the country immediately." Time to spend more on digital ads.

## Elsewhere

Instagram has revamped its vintage camera logo and overhauled its user interface. Naturally, some people on the Internet aren't happy. [WSJ]

Recode's technology columnist wonders why anyone would want to be friends with brands like Tide on social media and whether people realize how marketers sometimes use their social media likes and endorsements in ads. [Recode]

The New York Post's famed gossip column Page Six is being adapted into a daily TV show on Fox stations in multiple big markets this summer. [New York Post]

People spend far more time on social media apps than news apps, but people on Reddit are extremely heavy users of the app, according to a new report issued by the Knight Foundation. [NiemanLab]

Longtime "60 Minutes" correspondent Morley Safer is retiring. He has been with the program since 1970. [CBS News]

YouTube is testing ways for its users to have group chats while watching videos on its mobile app. [Wired]

Taco Bell's recent "lens" on Snapchat, which let people make videos featuring a virtual taco over their faces for Cinco de Mayo, resulted in 224 million views in a single day. [Adweek]

Variety breaks down which companies have been making buzz at this year's NewFronts, and which have not. [Variety]

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