

## INTRODUCTION

Like all media, websites spreading disinformation and manipulative content require funding to keep up their operation. For Czech websites known for spreading disinformation, the most frequent sources of income are readers' contributions and advertising revenues. By renting advertising space, these websites can accumulate up to 190 000 CZK per month, according to Prague Security Studies Institute's (PSSI) previous research. Previous research online can therefore be a financially rewarding business in the Czech Republic.

This blog post aims to address the approach of private companies in the Czech Republic to the issue of disinformation and brand safety. Most private companies are not aware of the role advertising revenue plays in the continuing activity of websites spreading disinformation. Moreover, many brands advertise their products on disinformation sites through programmatic purchases and online auctions without knowing about it or they are

not aware that they can influence where their advertising appears in the online space.

Companies also often do not realise that even a small portion of their advertising budget that reaches problematic websites can be enough for these websites to be able to operate or even profit from their activity.

This is why PSSI, in cooperation with the initiatives NELEŽ (GET REAL) and Fair Advertising, have been organising seminars for private companies about brand safety in the past two years. The goal of the seminars was to educate the private sector about this issue and how to prevent disinformation from damaging their brand, with the overarching effort to make non-advertising on such websites an ethical standard of business. The findings of this blogpost are therefore based on the experience of PSSI, NELEŽ and Fair Advertising, on discussions with brand representatives at the seminars and on data collected via questionnaires disseminated among the seminar participants.

<sup>1</sup> This number is an estimate consulted with advertising experts and concerns Czech websites on the list of platforms with problematic content created by Slovak organisation Konspiratori.sk, while the majority of this sum goes to the top-10 most visited websites. See the list on <a href="https://konspiratori.sk/zoznam-stranok/en">https://konspiratori.sk/zoznam-stranok/en</a>.

<sup>2</sup> Jonáš Syrovátka, Alena Zikmundová, Šimon Pinkas, Vanessa Maderová, "BUSINESS OF DISINFORMATION: STAKEHOLDER PERSPECTIVES AND WAY FORWARD", Prague Security Studies Institute, https://www.pssi.cz/download//docs/8449\_pssi-stakeholder-perspectives-en.pdf

## **OUR EDUCATIONAL ACTIVITIES**

The Fair Advertising initiative<sup>3</sup> provides monitoring and the impetus for action for the private sector – the initiative warns companies when their advertising appears on websites known for spreading disinformation and about the reputational risk it poses for the companies. The NELEŽ initiative<sup>4</sup> connects companies that have publicly pledged to the ethical standard of non-advertising on disinformation sites and provides companies a manual<sup>5</sup> on how to prevent their advertising from appearing on undesirable websites. The activity of such initiatives is crucial in the case of countries where the legislature does not tackle these issues, as in the Czech Republic.

PSSI has been doing work on the topic of disinformation and business since 2020 which resulted in publications such as "Disinformation as Business" and "Business of Disinformation: Stakeholder Perspectives and Way Forward". To put the findings into practice, we teamed up with NELEŽ and Fair Advertising to organise seminars about disinformation and brand safety for private companies with the help of embassies and chambers of commerce. These institutions are directly connected to companies and motivated to offer them a quality educational program or to include similar seminars in already performed activities, e.g., within Corporate Social Responsibility (CSR) communication. Cooperation with such institutions is therefore important for researchers

and activists to facilitate contact with the private sectors. In 2022, we organised two such seminars, one with the Confederation of Industry of the Czech Republic and the second one with the British Chamber of Commerce in the Czech Republic, which built on experience from two more seminars from the previous year. So far, we were able to approach over 130 representatives of the private sector including international corporations such as Honeywell, T-Mobile, and DHL Express.

The target audience of the seminars were PR, marketing experts and advertisers who oversee brand communication in the online space. Researchers from PSSI provided them a general overview of the Czech disinformation scene, including its business models and the role of advertising revenue in their operation. Then, representatives of Fair Advertising provided specific examples of brands unconsciously advertising on disinformation websites. Monitoring such cases is a long-term activity of this initiative, which posts examples on its Twitter account and warns the specific brands about the reputational risk they are in. Last but not least, representatives of NELEŽ educated the participants on how to protect their brand and how to block displaying their advertising on disinformation websites. NELEŽ also provides a guide on its website for any brand that wants to protect itself.

Fair Advertising, http://fairadvertising.cz/

<sup>4</sup> NELEŽ, https://www.nelez.cz/

<sup>5 &</sup>quot;Návod na zablokování dezinformačních webů ", NELEŽ, https://www.nelez.cz/cms/storage/uploads/2021/11/02/blokace\_deziwe-bu\_uid\_61815ea13f7ad.pdf

## OUR EXPERIENCE WITH THE PRIVATE SECTOR'S APPROACH TO DISINFORMATION AND BRAND SAFETY

Based on the discussions with seminar participants and the experience of the three involved organisations, most brand representatives were at least vaguely aware of the issue of advertising on disinformation websites before the seminars. While many considered it a very important problem for brands which needs to be addressed, some representatives found it of less importance usually with the reasoning that some advertising providers have no control over where the advertising appears, therefore their brands do not pay much attention to this problem. However, the participants reacted positively to the fact that there is systematic expert activity countering this issue.

Over half of the approached companies claimed their brands do pay attention to where their advertising appears, monitor and fact-check sources before publishing their content there, or work with a PR agency in this regard. The rest either do not consider it a significant problem worth their resources or were not aware of the reputational risks prior to the seminars. What was usually new for the participants was the outline of the Czech media space and sphere of disinformation media in general and the ways such websites monetize their content.

This low awareness shows the importance of continued educational activities for brands on their options and capabilities and the importance of actively using them. The real-life impact of private companies countering disinformation was demonstrated in the Czech Republic last year (2021), when the disinformation outlet EUportál stopped its activities and provided decreasing advertising revenue as one of the main reasons for this step.<sup>6</sup>

On the other hand, some companies, although in minority, seem to have a more holistic approach to this issue. Besides paying attention to the business and reputational aspect of the issue, they also proclaimed their mission of supporting quality journalism or working on educating their employees in media literacy and approaching their sources of information critically. Generally, we could see interest of the brand representatives in the topic of disinformation. A lot of their questions concerned how to tell apart reliable and problematic media or how to communicate with people in their surroundings with tendencies to believe or even spread conspiracy theories and disinformation. Debate was also sparked about what conditions and processes the expert community uses when identifying manipulative media. This interest is important since media literacy is a long-term strategy for countering disinformation which helps people navigate the online space on their own and is far more effective than activities such as reactive debunking of disinformation.

Many questions from the seminar participants concerned whether the companies actually have power over where their advertising appears. The low awareness of the private sector of their capabilities is also the experience of the Fair Advertising initiative. After being warned about undesirable advertising placement, companies often assume or claim they cannot influence the situation. This is exactly what the seminars help improve, by educating the private sector about the online space as customizable in this regard and blacklisting specific sites as an accessible option for advertisers.

On a more general level, the interest and motivation of companies to deal with such issues also highly depends on the current situation on the market. At the time of writing of this blogpost, almost a month since the start of the Russian invasion of Ukraine, actors across all sectors are focusing their attention and resources on helping Ukraine. But although their resources are focused on more direct, humanitarian aid, private companies seem to understand how manipulative, pro-Russian media relate to this issue.

<sup>6</sup> Robert Břešťan, "Dezinformační web EUportál vyhladověl. Firmy si více hlídají, kde na internetu inzerují", HlídacíPes.org, https://hlidacipes.org/dezinformacni-web-euportal-vyhladovel-firmy-si-vice-hlidaji-kde-na-internetu-inzeruji/

## **NEW CHALLENGES AND THE WAY FORWARD**

The onset of the Russian invasion of Ukraine had a complex impact on the Czech disinformation scene and these developments might give off a false impression that the problem of reputational risks related to disinformation websites disappeared. The Czech authorities took unprecedented action and the national domain operator CZ.NIC blocked several websites spreading disinformation about the war, while Russian outlets such as Sputnik and RT were blocked EU-wide.<sup>78</sup> However, the national domain operator announced the ban is temporary, for one month, besides the fact that the Czech disinformation scene goes beyond the blocked pages — the list of websites with controversial content provided by konspiratori.sk includes 232 websites operating in the Czech and Slovak Republic. It also does not mean the media themselves stopped their activities - some of them already migrated to different domains to avoid blacklisting. These developments just provide new challenges for navigating the Czech information scene.

It is crucial for the expert community focused on countering disinformation to continue engaging with the private sector, since a whole-of-society approach is the only way to effectively face disinformation. However, our experience has shown that members of the private sector often lack awareness of their potential role in this effort. Educational activities and constructive discussion between researchers and the private sector need to continue to raise awareness about the tools available for brands to prevent unconsciously funding problematic media. This prevention needs to become an ethical standard for business in a world where consumers pay more and more attention to social responsibility of brands they support. Media literacy is also a fundamental skill that needs to be supported as much as possible. Although the priorities and motivations of the private sector will always be dictated by the market, the private sector's interest in brand safety that our experience showed needs to be supported and developed.

<sup>7 &</sup>quot;SDRUŽENÍ CZ.NIC ZABLOKOVALO WEBY ŠÍŘÍCÍ DEZINFORMACE SPOJENÉ S RUSKO-UKRAJINSKÝM KONFLIKTEM", CZ.NIC, https://www.nic.cz/page/4301/sdruzeni-cznic-zablokovalo-weby-sirici-dezinformace-spojene-s-rusko-ukrajinskym-konfliktem/

<sup>8 &</sup>quot;EU imposes sanctions on state-owned outlets RT/Russia Today and Sputnik's broadcasting in the EU", Council of the EU, https://www.consilium.europa.eu/en/press/press-releases/2022/03/02/eu-imposes-sanctions-on-state-owned-outlets-rt-russia-today-and-sputnik-s-broadcasting-in-the-eu/



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