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Z Holdings Corporation

Z Holdings Establishes the "Study Group on the Information Disclosure for Digital Advertising Business"

- Discussions to be held with external experts on disclosure of information on ad screening, ad-fraud, brand safety measures, etc., with the aim of improving the quality of advertising services

In order to ensure that advertisers, advertising agencies, and advertising partners can use advertising services without anxiety, Z Holdings Corporation (hereinafter "ZHD") has established the Study Group on the Information Disclosure for Digital Advertising Business to examine, together with outside experts, information disclosure related to advertising screening, ad-fraud^{*1} measures, and brand safety measures^{*2}. The first expert meeting is scheduled to be held in July 2021. After that, meetings are scheduled to be held about once a month, and the content of the study are planned to be compiled and published by the end of this year.

Today, the digital advertising market is experiencing rapid development and growth. From 2019 onward, digital advertising expenditures have surpassed TV media advertising expenditures, reaching approximately JPY 2.2 trillion in 2020, and accounting for more than 30% of Japan's total advertising expenditures (approximately JPY 6.2 trillion in 2020).^{*3} Despite this rapid development and growth, the structure of advertising systems is complex and is undergoing extremely rapid changes, making it difficult for consumers, advertisers, advertising agencies, and ad-serving partners to understand the actual situation. Also, in terms of service quality, various issues such as ad-fraud and brand safety have become apparent in recent years.

In light of the background mentioned above, there is an urgent need for the digital advertising market to further improve transparency by promoting the disclosure of information related to ad screening, ad-fraud countermeasures, and brand safety measures, and also by responding to concerns about conflicts of interest and favoritism. Although reports on these points have been released by Japan's Fair Trade Commission^{*4} and the Cabinet Secretariat^{*5}, ZHD, as a platform operator, believes that taking the lead in promoting voluntary initiatives without waiting for the development of future laws and regulations, will contribute to the sound development of the digital advertising market in the future.

ZHD has decided to hold a meeting inviting experts from various fields to discuss from a wide range of perspectives the measures to be taken by platform operators, how information should be disclosed, and what system would be necessary to improve transparency.

In order to fulfill its social responsibility as a platform operator, ZHD will continue to improve the quality and transparency of its advertising services and create an environment where advertisers, advertising companies, and ad-serving partners can use its services with confidence.

*1 Fraud that falsely inflates the number of ad contracts or effectiveness of advertisements relative to their cost through invalid impressions or clicks.

*2 Measures to prevent ads from being distributed to illegal or unfair websites that blend into the publishing websites or inappropriate pages or content that may damage the brand value.

*3 [Dentsu Inc., 2020 Advertising Expenditures in Japan](#)

*4 Japan Fair Trade Commission, "[Final Report Regarding Digital Advertising](#)"

*5 Secretariat of the Headquarters for Digital Market Competition, Cabinet Secretariat, Japan "[Evaluation of Competition in the Digital Advertising Market Final Report : Summary](#)"

1. Name of meeting

Study Group on the Information Disclosure for Digital Advertising Business

2. Matters to be deliberated

- Information disclosure regarding advertiser account screening and ad screening,
- How to disclose information related to measures to combat ad-fraud and protect brand safety,
- How to establish a system to improve transparency in light of concerns about conflicts of interest and favoritism, and others.

3. Members (without honorifics)

Chairperson

Hiroshi OHASHI, Dean, Graduate School of Public Policy, The University of Tokyo

Members

Yoshitoshi IMOTO, Partner, Nagashima Ohno & Tsunematsu

Takashi IWAMOTO, Project Professor, Graduate School of Business Administration, Keio University

Yuka KAKINUMA, Researcher, IT Research Group, Japan Association of Consumer Affairs Specialists

Toshiya WATANABE, Professor, Institute for Future Initiatives, The University of Tokyo

* The first expert meeting is scheduled to be held in July 2021. After that, meetings are scheduled to be held about once a month.

Departments from Japan's Cabinet Secretariat, Ministry of Economy, Trade and Industry, and Ministry of Internal Affairs and Communications are scheduled to participate as observers.

Reference:

[Yahoo! JAPAN's Initiatives on the Issues Identified in the "Evaluation of Competition in the Digital Advertising Market Final Report : Summary" \(Announced on April 27, 2021\)](#)

(Japanese only)

[Undertakings to Improve the Quality of the Advertising Service](#)

[Diamond of Advertising Quality](#)

[Transparency Report on Advertising Service Quality](#) (Japanese only)

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