



Marketer FAQs

Does ad fraud pose any risks beyond affecting my campaign metrics?



Marketers might be unknowingly funding criminal activity through digital ad fraud

In the past year, it's become impossible to ignore the issue of advertising transparency. Headlines are littered with [explosive investigative research reports](#), [revelations around ad dollars funding illegal activities](#), [inflated metrics scandals](#), [children's data being compromised](#), [ads running in wildly inappropriate content](#) and [more](#).

Yet, marketers have been relatively quiet on these scandals, especially when compared to other, [less serious](#) topics that dominate the [industry narrative](#).

We wondered, why?

Could it be due to marketers being unaware that some digital ad dollars are funneled to fund illegal operations, extremist content and other harmful activities?

To understand their (lack of) response, we partnered with Advertiser Perceptions and conducted interviews and surveys with agencies and brand marketers.*





During the in-depth interviews conducted in our survey, **none of the respondents expressed concerns** about the possibility that **their advertising dollars** might inadvertently **support illegal activities, extremist content or even oppressive regimes.**

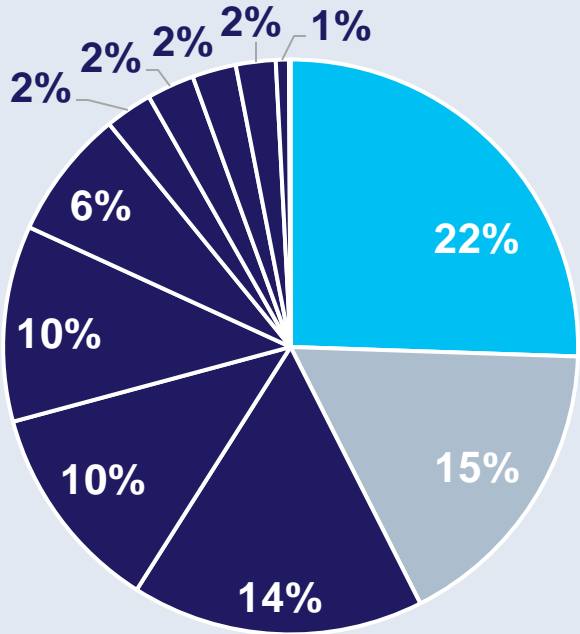
This finding was particularly noteworthy, given that the interviews were conducted after the release of several [Adalytics reports](#) highlighting the [financial, reputational and legal risks](#) advertisers face when engaging with walled gardens.

Source: VAB / Advertiser Perceptions 'Marketer Sentiment on Ad Fraud' Survey, based on in-depth interviews, fielded October 2023. Survey base: Marketer and agency contacts from the Advertiser Perceptions 'Senior Marketer' and 'Streaming Video' online communities.

Ad dollars spent in ‘Big Tech’ walled gardens may expose brands to data risks from offshore criminal networks and foreign entities



% of spend by developer ‘country of origin’
for sub-set of YouTube TrueView ad budget that was allocated to Google Video Partner Network (GVP) Android mobile apps



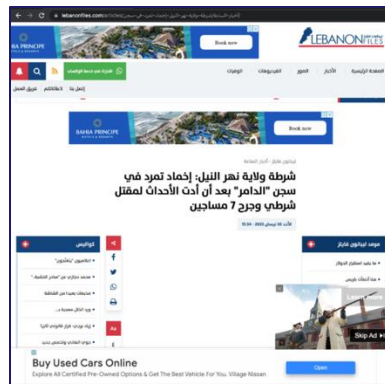
| Country of Origin | % |
|-------------------|-------|
| USA | 22.3% |
| Unknown | 14.8% |
| China | 14.3% |
| Singapore | 10.3% |
| Cyprus | 9.6% |
| Malta | 6.4% |
| Germany | 2.3% |
| Turkey | 2.3% |
| UK | 2.2% |
| Israel | 2.0% |
| Denmark | 0.6% |
| Russia | 0.1% |

Source: Adalytics Research LLC, ‘Did Google Mislead Advertisers About TrueView Skippable In-Stream Ads for the Past Three Years?’ report, June 2023. Download VAB’s [‘Hidden Costs’](#) to learn more.

Ads can be served in objectionable content, exposing brands to issues like foreign disinformation, copyright infringement and more

Sampling of TrueView In-stream Ads Served as Out-stream Ads through Google Video Partner Network (GVP)

Ads on foreign, and state-associated, news sites known to publish disinformation



Foreign Disinformation

Website with over 101,000 DMCA copyright takedowns



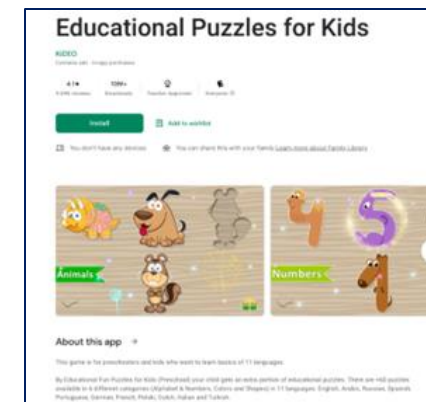
Piracy

Ads alongside objectionable content (such as pornography, animal abuse and adjacencies to children's deaths)



Objectionable Content

Ads on mobile apps for children as young as two years old



Child-Targeted

Source: Adalytics Research LLC, 'Did Google Mislead Advertisers About TrueView Skippable In-Stream Ads for the Past Three Years?' report, June 2023. Note: after the Adalytics report was released, YouTube changed the name of their 'in-stream ads' format to 'skippable ads' throughout Google Display and Video 360, according to a 'What's New: July 2023' Google Blog Post and reported by Adweek on 8/7/23. Download VAB's '[Hidden Costs](#)' to learn more.

Many instances exist of brands' digital ad dollars funding 'bad actors' involved in organized crime, oppressive regimes and other illicit activities



Organized Crime Gangs Earn Big Bucks in Shift to Fraud

Gangs around the globe fuel billion-dollar underground economy April 20, 2022



First search result leads to malware: crooks now paying for ads

November 15, 2023



Feds seize 17 web domains used by North Korean tech workers in fraud scheme

October 19, 2023



How a Chinese malware gang defrauded Facebook users of \$4 million

SilentFade group utilized a Windows trojan, browser injections, clever scripting, and a Facebook platform bug to buy and post ads on behalf of hacked users.

October 1, 2020



Millions of hacked Android and iOS phones are being used to run a massive ad fraud campaign

October 10, 2023



'Biggest Ad Fraud Ever': Hackers Make \$5M A Day By Faking 300M Video Views

November 10, 2021



White Ops Blows The Lid Off A \$1 Billion-Plus Russian Botnet

December 20, 2016



Google continued to serve ads on Russia-linked and other websites after they were placed on US sanctions list, a report finds

April 20, 2022



YouTube ads found on extremist content channels, reigniting company's brand safety issues

April 20, 2018



Sponsored Ad Fraud: Mystery Box Scams Flood Social Media

February 29, 2024



Russian Cybercriminal Sentenced to 10 Years in Prison for Digital Advertising Fraud Scheme

November 10, 2021



Digital (Money Laundering, Tax Evading, Terrorist Funding) Advertising

January 1, 2021

In their own words: Marketers agree on the need for transparency and accountability, and expect as much from media partners



“I think **it's our job to really demand of our partners that they treat us well**. I think the way that we hold them to that is we look for a lot of granularity in the data we get back. We ask questions on what they're doing to prevent fraud and when we see something that looks strange, we bring it to their attention.
If they don't have a good answer, we find a different partner.”

CMO, Consumer Electronics Category
(Anonymous)

“**On the advertiser side, it's on me**. It's my budget, I own the money, I represent the company so it's on me to confirm that I'm doing things right. **The publisher is equally responsible**. It's on me to figure out if they're sketchy, but if they're operating illegally or immorally, then it's the publisher's fault. I buy from an intermediary/DSP and it's on them as well. Everyone is culpable.”

VP, Brand & Media, e-commerce Category
(Anonymous)

Source: VAB / Advertiser Perceptions 'Marketer Sentiment on Ad Fraud' Survey, based on in-depth interviews, fielded October 2023. Survey base: Marketer and agency contacts from the Advertiser Perceptions 'Senior Marketer' and 'Streaming Video' online communities.

Marketers can move the industry forward and enact real change by asking questions about their ad placements and making transparency a priority across the industry



Also, the FreeWheel Council for Premium Video and the VAB have partnered to advocate for the value of premium standards. **Click below to download and learn more!**

**Buying Premium Video:
A Definitive Checklist**

Key Marketer Takeaways

- ▶ Many marketers are unaware that some of their digital ad dollars might be indirectly supporting illegal activities and harmful content despite existing evidence and reports highlighting these risks
- ▶ Ad dollars invested in major 'Big Tech' digital platforms can potentially expose brands to significant data risks, including exploitation by offshore criminal networks
- ▶ Numerous, and continual, instances of ad fraud and data misuse highlight the pervasive nature of these issues, demonstrating that brands' digital ad dollars can end up funding illicit activities which raises serious ethical and legal concerns
- ▶ To stem the flow of dollars to illicit activities, marketers need to be vigilant by asking questions about their ad placements and prioritizing transparency across the industry

Download our full guide **'Exposed'** to learn more about all five of the inconvenient truths we learned from marketers through our custom survey



Transform

Marketer's Guide
Innovative thinking to make a lasting impact on your business growth.

Exposed
5 Inconvenient Truths We Learned From Marketers

VAB Insights. Inspiration. Impact.

5 Inconvenient Truths We Learned From Marketers

| | | | | |
|--|---|---|--|--|
| 1 Don't Blame Me The lack of culpability means no single party is willing to assume responsibility for addressing ad fraud | 2 Lose Control Marketers face persistent ad fraud with little recourse or power to address it | 3 Under Pressure By prioritizing low costs in campaigns, quality and brand safety are put at extreme risk | 4 Hazy Shade of Winter A lack of transparency prevents marketers from understanding and identifying where the many risks of ad fraud exist | 5 Smooth Criminal Marketers are unaware that digital ad dollars are being inadvertently funneled to 'bad actors' who fund illegal operations, extremist content and other harmful activities |
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PAGE 10 This information is exclusively provided to VAB members and qualified marketers. VAB

[Click here to download 'Exposed'](#)

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Check out this related VAB content

To learn more about the methodology of our custom study, download the full report

[Exposed: 5 Inconvenient Truths We Learned From Marketers](#)



Who is responsible for monitoring ad fraud within my campaign?



How can I effectively address ad fraud within my campaign?



Will prioritizing cost over quality impact my ad campaign outcomes?



What are the misconceptions about ad fraud across media platforms?

About VAB

VAB plays a dual role in the video advertising industry. We are leading the change to bring about a more innovative and transparent marketplace. We also provide the insights and thought leadership that enables marketers to develop business-driving marketing strategies.

Drawing on our marketing expertise, we **simplify** the complexities in our industry and **discover** new insights that **transform** the way marketers look at their media strategy.



We are committed to your business growth and proud to offer VAB members, brand marketers and agencies ***complimentary access*** to our continuously-growing Insights library. **Get immediate access** at theVAB.com.



To learn what marketers think about advertising transparency, ad fraud and brand safety we conducted independent research



VAB's custom study results are based on responses from **senior brand marketers** and **high-level agency professionals**. These individuals are part of Advertiser Perceptions' Insights Community, a **distinguished panel of industry experts** who are deeply experienced and constantly tuned into the latest trends and developments.

Their keen awareness and understanding of the ever-evolving advertising landscape make them uniquely positioned to identify the industry's most pressing challenges.

- ▶ Part I: in-depth interviews of 5 select respondents
 - ▶ September 26 – October 2, 2023
- ▶ Part II: quantitative survey of 39 respondents
 - ▶ November 10 - 14, 2023

Respondent Qualifications:

- ▶ Senior level decision-makers involved in digital video, CTV and / or linear TV campaigns
- ▶ Mix of category verticals
- ▶ Mix of annual media spend levels
- ▶ Senior job level / title