

## Marketer's Guide

Innovative thinking to make a lasting impact on your business growth.

# Exposed

## 5 Inconvenient Truths We Learned From Marketers





## Revealing the Inconvenient Truth...

In the **past year**, it's become impossible to ignore the issue of advertising transparency. Headlines are littered with [explosive investigative research reports](#), [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? As Ad Age [reported](#), do marketers suffer from a **'fear of finding out'?**



## Do marketers suffer from the ‘fear of finding out?’

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

We quickly found there were common **misconceptions** and **misunderstandings** around transparency, ad fraud and brand safety that hold back agencies and brand marketers from effectively addressing the rampant digital ad fraud impacting the industry.

And perhaps, most telling, there is confusion regarding who is ultimately responsible for monitoring these issues.

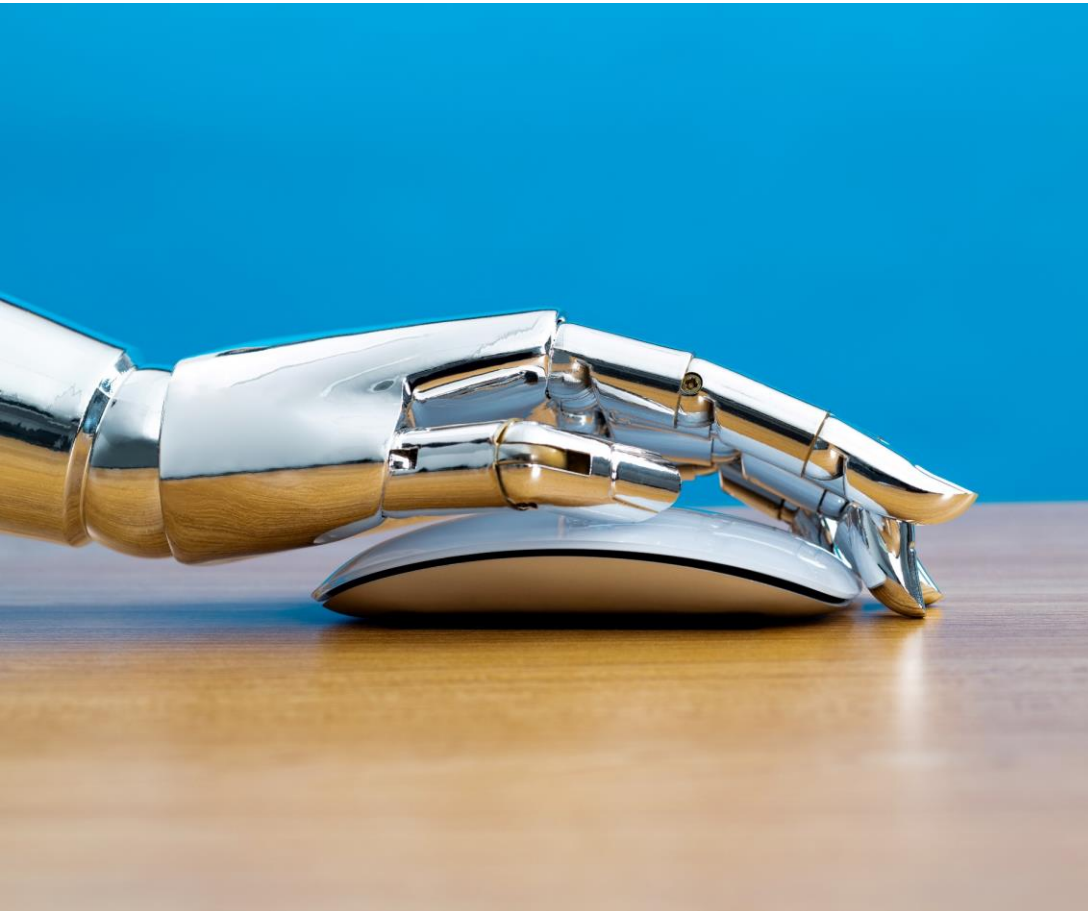
\*See appendix for full details on methodology behind interviews and custom survey

---

How aware and worried are brand marketers and agencies about ad fraud?



We found agreement from agencies and brand marketers on the definition of ad fraud, with both equating it with some kind of ‘theft’...



### How marketers define ‘digital ad fraud’

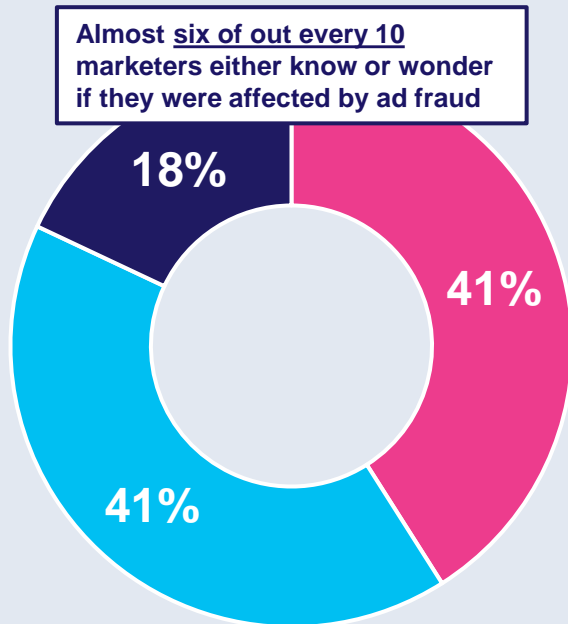


Source: VAB / Advertiser Perceptions ‘Marketer Sentiment on Ad Fraud’ Survey, November 2023. Survey base: Marketer and agency contacts from the Advertiser Perceptions ‘Senior Marketer’ and ‘Streaming Video’ online communities.  
Q1A: What constitutes digital ad fraud? [open ended] Base = Total Respondents.

# Over 40% of brand marketers and agencies know ad fraud affected their brand; another 20% wonder

Has digital ad fraud affected [your/your client's] brand?  
% of respondents

■ Yes ■ No ■ Not Sure/Don't know



**"I don't know [if ad fraud has affected my business].** I bet it has, but I can't quantify it.

It has caused us to overspend.  
**Reduces ROAS."**

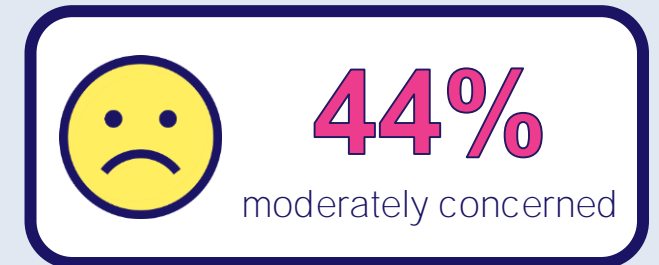
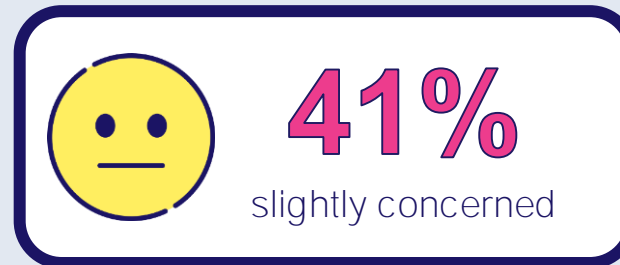
- Director of Marketing, B2B Category  
(Anonymous)\*

Source: VAB / Advertiser Perceptions 'Marketer Sentiment on Ad Fraud' Survey, November 2023. Survey base: Marketer and agency contacts from the Advertiser Perceptions 'Senior Marketer' and 'Streaming Video' online communities. Q7. Had digital ad fraud affected [your/your client's] brand? Base = Total Respondents. \*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.

# Yet, only 13% of brand marketers and agencies are extremely concerned about this 'theft'



## Level of digital ad fraud concern among marketers % of respondents



Source: VAB / Advertiser Perceptions 'Marketer Sentiment on Ad Fraud' Survey, November 2023. Survey base: Marketer and agency contacts from the Advertiser Perceptions 'Senior Marketer' and 'Streaming Video' online communities. Q9. How concerned are you about digital ad fraud? (extremely concerned / moderately concerned / slightly concerned). Base = Total Respondents.

# By comparison, consumers are more concerned about online fraud in their daily lives than digital savvy marketers investing corporate dollars

# 32%

of consumers are **very concerned** about online security due to fraud-related issues

% of consumers who are concerned about the following types of fraud



Identity Theft

64%



Stolen Credit Card Info

61%



Online Privacy

60%



Fake and Phishing Emails

49%

Source: VAB analysis of data from Experian's 2023 U.S. Identity + Fraud Report: Identity, Experience and the Evolving Fraud Landscape. Based on a survey of more than 2,000 U.S. consumers about their online interactions and expectations regarding security and customer experience.

---

Why are the majority of marketers overlooking the **'theft'** of their advertising funds?





# 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**



# Marketers typically delegate oversight, resulting in a lack of clear accountability

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**

# 1 out of 3 industry professionals hold brand marketers responsible for preventing ad fraud, yet they typically only take limited internal actions

# 32%

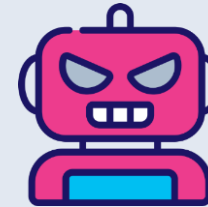
of industry professionals believe **advertisers** are responsible for preventing digital ad fraud

% of brand marketer respondents who use the following solutions to prevent digital ad fraud\*



## 39%

Maintaining a **whitelist of trusted** sites



## 39%

Closely **monitoring campaigns for increased activity** which may be due to bots



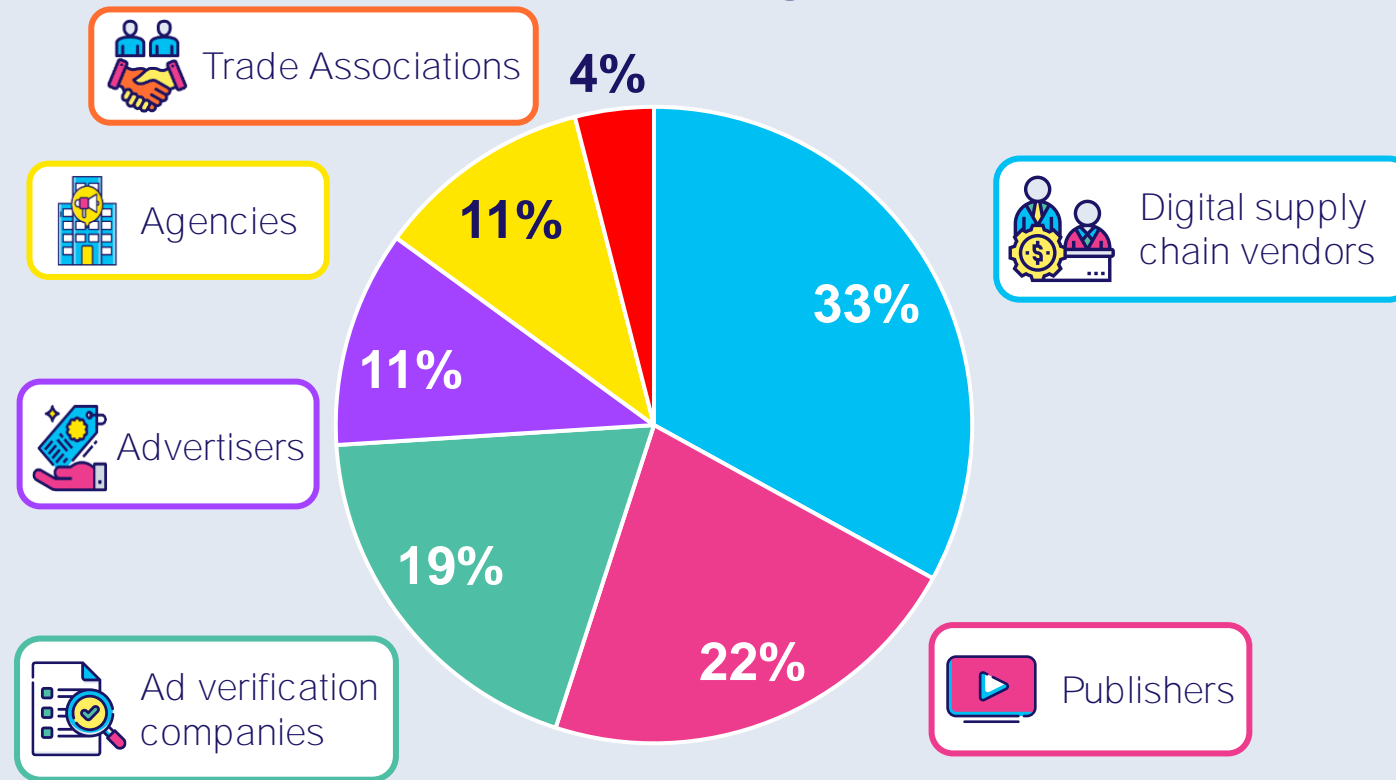
## 29%

Establishing **clear brand safety guidelines** and ensuring all our partners adhere to them

Source: VAB / Advertiser Perceptions 'Marketer Sentiment on Ad Fraud' Survey, November 2023. Survey base: Marketer and agency contacts from the Advertiser Perceptions 'Senior Marketer' and 'Streaming Video' online communities. Q10. Please rank the following based on who you believe is most responsible for preventing digital ad fraud? Base = Total Respondents. \*Q6. What solutions [is your company/are your clients] using to prevent digital ad fraud? Base = Total Respondents.

# Brand marketers often assign monitoring ad fraud to third-party vendors or publishers, absolving themselves and their agencies

% of brand marketer respondents who believe the following are responsible for preventing digital ad fraud



**Only 22%** hold agencies or advertisers accountable (i.e., those most directly responsible for the brand's business)

Source: VAB / Advertiser Perceptions 'Marketer Sentiment on Ad Fraud' Survey, November 2023. Survey base: Marketer and agency contacts from the Advertiser Perceptions 'Senior Marketer' and 'Streaming Video' online communities. Q10. Please rank the following based on who you believe is most responsible for preventing digital ad fraud? Base = Brand Marketer Respondents.

# Without internal checks, brand marketers underestimate the seriousness and impact of industry-wide issues

% of brand marketer respondents who are concerned about...  
Ranked within top 3 digital ad fraud concerns

Their Business / Client's Businesses

The Advertising Industry Overall\*

Unknowingly appearing on 'Made for Advertising' (MFA) websites

18%

32%

Targeted / tracked ads running alongside children's content

11%

18%

Source: VAB / Advertiser Perceptions 'Marketer Sentiment on Ad Fraud' Survey, November 2023. Survey base: Marketer and agency contacts from the Advertiser Perceptions 'Senior Marketer' and 'Streaming Video' online communities. Q3A. What are your top 3 concerns surrounding digital ad fraud regarding [your business/your clients' businesses]? \*Q3B. What are your top 3 concerns surrounding digital ad fraud regarding the advertising industry overall? Base = Brand Marketer Respondents.

# They assume their trusted partners protect them from alleged fraudulent advertising activities, including metric inflation and ad misrepresentation

 EMARKETER

April 2, 2024

**Meta inflates ad viewership projections by 400% class-action lawsuit alleges**

 Search Engine Land

March 29, 2024

**Advertisers sue Meta for allegedly inflating ad viewership in \$7 billion lawsuit**

The advertisers claim they were unfairly charged inflated premiums to serve ads on Facebook and Instagram.

 AdNews

August 20, 2018

**Facebook sued for 'misleading' advertisers on potential reach**

 CNBC

February 19, 2021

**Facebook knew ad metrics were inflated, but ignored the problem to make more money, lawsuit claims**

THE WALL STREET JOURNAL

June 27, 2023

**Google Violated Its Standards in Ad Deals, Research Finds**

About 80% of Google's video-ad placements on third-party sites violated promised standards, new research shows; Google disputes claims

 THE HOLLYWOOD REPORTER

July 26, 2023

**Google Sued by Advertisers for Allegedly Inflating Video Ad Metrics**

Forbes

June 28, 2023

**Google's Ad Scam Eerily Similar To Facebook's Metric Inflation Scam**

 EMARKETER

December 15, 2023

**Google will face a class-action antitrust lawsuit from small advertisers**

 adexchanger

November 28, 2023

**Adalytics Exposes An Alleged \$10.5 Billion Black Hole In The Google Search Partners Program**

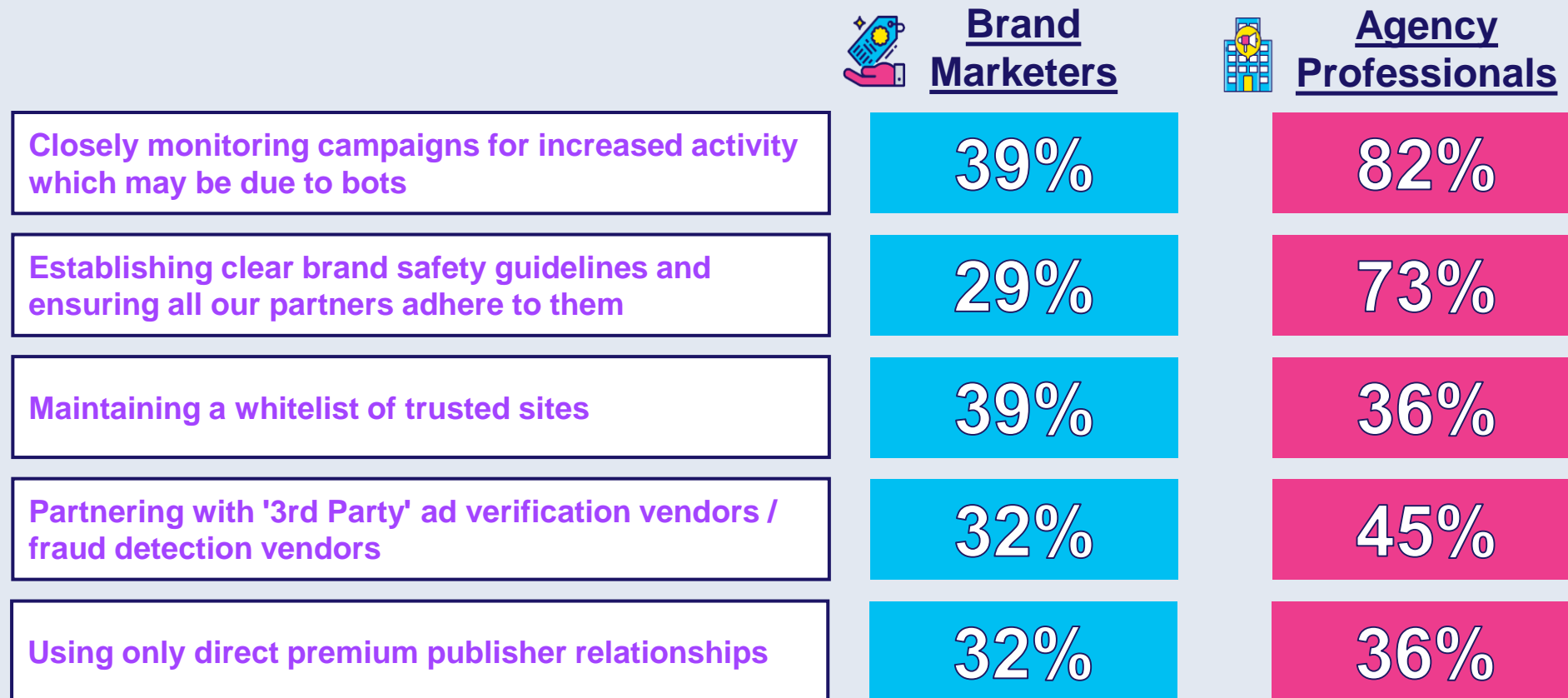
ADWEEK

July 11, 2023

**Ad Buyers Redirect YouTube Strategies After Report Accuses It of Violating Standards**

# Agencies, with their experience in monitoring campaigns and access to evaluation tools, generally feel more culpable for the results

% of respondents who use the following solutions to prevent digital ad fraud...



Source: VAB / Advertiser Perceptions 'Marketer Sentiment on Ad Fraud' Survey, November 2023. Survey base: Marketer and agency contacts from the Advertiser Perceptions 'Senior Marketer' and 'Streaming Video' online communities. Q6. What solutions [is your company/are your clients] using to prevent digital ad fraud? Base = Total Respondents.

# Yet, in the end, everyone is pointing fingers in different directions with no accountability in sight



% of total respondents

**32%**

believe **advertisers** are responsible for preventing digital ad fraud

**27%**

believe **agencies** are responsible for preventing digital ad fraud

Source: VAB / Advertiser Perceptions 'Marketer Sentiment on Ad Fraud' Survey, November 2023. Survey base: Marketer and agency contacts from the Advertiser Perceptions 'Senior Marketer' and 'Streaming Video' online communities. Q10. Please rank the following based on who you believe is most responsible for preventing digital ad fraud? Base = Total Respondents.



# Marketers often face a web of conflicts of interests leading to limited actionable solutions

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**

When ad fraud is caught in campaigns, most marketers' main recourse is to shift **some** ad dollars away from the offending digital platform



88%

of marketer respondents have **shifted some of their ad budget** to another platform as a result of discovering digital ad fraud

Source: VAB / Advertiser Perceptions 'Marketer Sentiment on Ad Fraud' Survey, November 2023. Survey base: Marketer and agency contacts from the Advertiser Perceptions 'Senior Marketer' and 'Streaming Video' online communities. Q7A. How did the discovery of digital ad fraud affect [your company's/your client's] relationship with the culpable media platform(s)? Base = Digital Ad Fraud Affected Brand.

# However, most admit shifting dollars and ‘conversations’ do not improve their trust and transparency with the platform

Among respondents who were impacted by digital ad fraud...

**38%**

had conversations with the media platform about **how to prevent fraud and improve accountability**

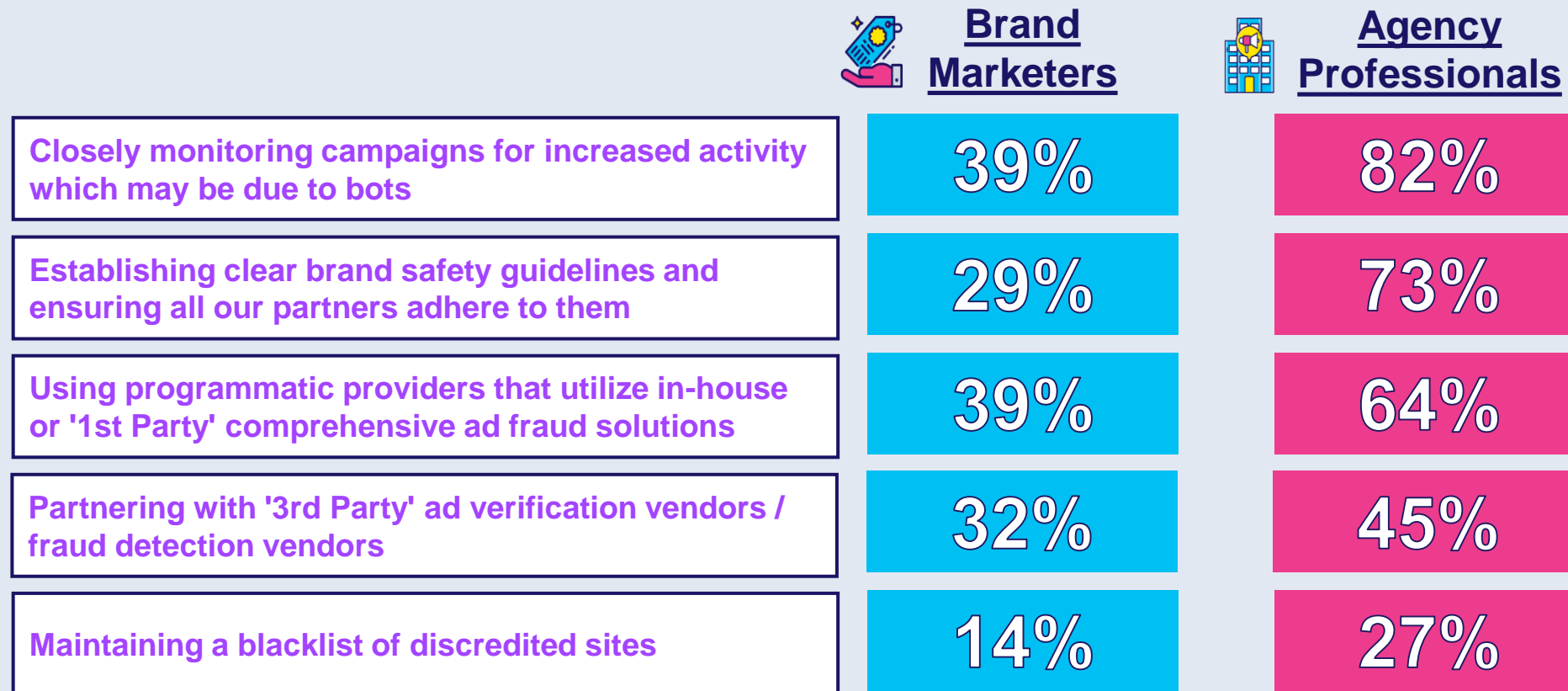
**6%**

Said it actually **improved their trust and transparency** once the ad fraud was addressed

Source: VAB / Advertiser Perceptions 'Marketer Sentiment on Ad Fraud' Survey, November 2023. Survey base: Marketer and agency contacts from the Advertiser Perceptions 'Senior Marketer' and 'Streaming Video' online communities. Q7A. How did the discovery of digital ad fraud affect [your company's/your client's] relationship with the culpable media platform(s)? Base = Digital Ad Fraud Affected Brand.

# Agencies are also often powerless, implementing more checks and balances but achieving little additional transparency

% of respondents who use the following solutions to prevent digital ad fraud...



Source: VAB / Advertiser Perceptions 'Marketer Sentiment on Ad Fraud' Survey, November 2023. Survey base: Marketer and agency contacts from the Advertiser Perceptions 'Senior Marketer' and 'Streaming Video' online communities. Q6. What solutions [is your company/are your clients] using to prevent digital ad fraud? Base = Total Respondents.

# It can be especially challenging when ad verification companies' revenues are dependent on the platforms they 'independently' monitor

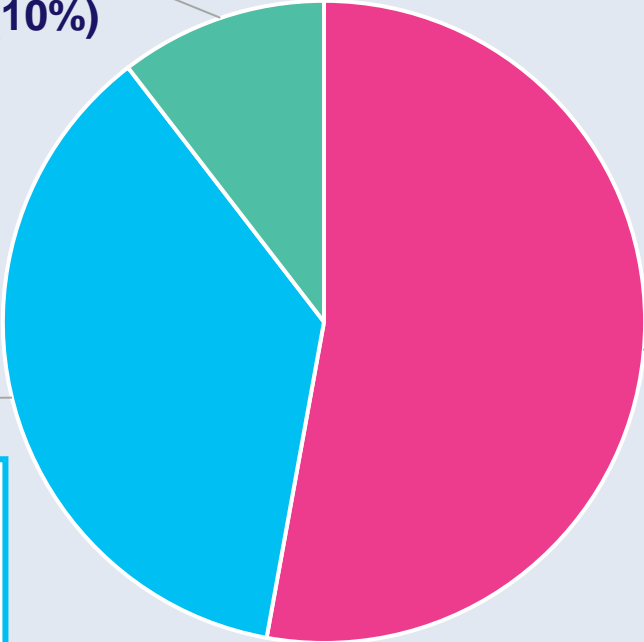
**Ad Verification Company Revenues by Type**  
DoubleVerify & Integral Ad Science (Aggregated), Full Year 2023  
in millions

**Supply-Side**  
**\$109 (10%)**

**'Supply-side' revenue** = earnings from platforms / publishers using services to **evaluate their own inventory & facilitate campaigns**  
*(ad-tech walled gardens are ad platforms / publishers)*

**Advertiser-Direct**  
**\$384 (37%)**

**'Advertiser-direct' revenue** = earnings from advertisers using services to **measure campaign quality & performance on digital platforms**  
*(ad-tech walled gardens are some of the top digital platforms and provide data for measurement as intermediaries, they are also major advertisers themselves)*



**Programmatic**  
**\$553 (53%)**

**'Programmatic' revenue** = earnings from advertisers using services to **evaluate ad inventory quality or optimize campaign inventory from programmatic platforms**  
*(many ad-tech walled gardens have their own programmatic platforms, e.g., Google Display & Video 360)*

Source: VAB analysis of DoubleVerify and Integral Ad Science (IAS) company financial reports, Full Year 2023. DoubleVerify refers to revenues by type as follows: 'Programmatic' = 'Activation', 'Advertiser Direct' = 'Measurement', 'Supply-Side' = 'Supply-Side Customer'. Integral Ad Science refers to revenues by type as follows: 'Programmatic' = 'Optimization', 'Advertiser Direct' = 'Measurement', 'Supply-Side' = 'Publisher'.

# Marketers that prioritize low costs put quality and brand safety at risk by spending in less transparent platforms



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**

# Consumers and marketers both prioritize the context and environment in which ads appear

nearly  
**90%**

of consumers feel that **brands bear responsibility** for ensuring their ads run beside content that is safe

**82%**

of consumers say it is important that a brand's ads appear on **content that is safe, accurate and trustworthy**

over  
**80%**

of marketing professionals believe **brand safety is a major concern** for their organization\*

Source: DoubleVerify & Harris Poll, *Consumers Reject Brands That Advertise on 'Fake News' and Objectionable Content Online*, June 2019. \*WARC Journal of Advertising Research, *Is your brand protected? Assessing brand safety risks in digital campaigns*, November 2023. Based on an online survey of advertising and brand management professionals with decision-making authority over the purchasing or spending for brands with at least \$10 million in annual advertising spend. Download VAB's ['What is Brand Safety'](#) to learn more.

# Yet, more than two out of three brand marketers and agencies rank cost over brand safety



% of respondents who are prioritizing brand safety over lower CPMs



Brand  
Marketers

32%



Agency  
Professionals

27%

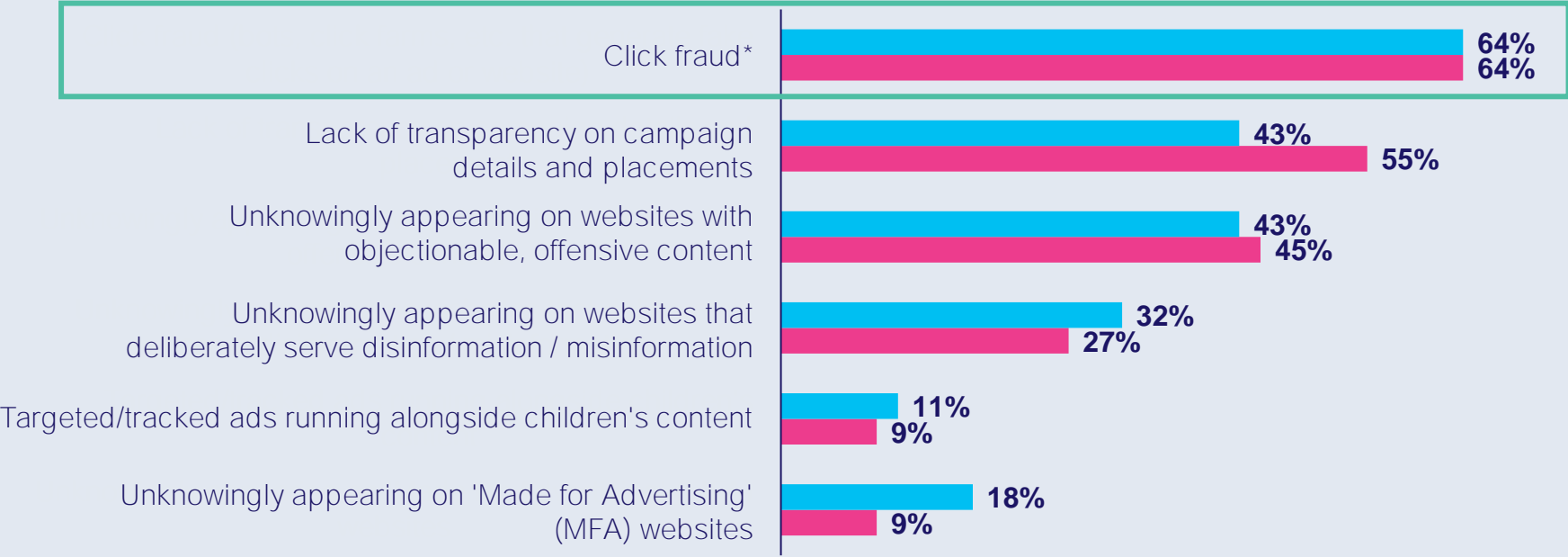
*Brands and agencies have different reasons to push for lower costs including cost suppression tied to compensation or KPI directives*

Source: VAB / Advertiser Perceptions 'Marketer Sentiment on Ad Fraud' Survey, November 2023. Survey base: Marketer and agency contacts from the Advertiser Perceptions 'Senior Marketer' and 'Streaming Video' online communities.  
Q6. What solutions [is your company/are your clients] using to prevent digital ad fraud? Base = Total Respondents.

# Under enormous pressure to deliver efficiencies, clicks are a higher priority than brand safety, child privacy violations, disinformation, etc.

## % of respondents who are concerned about the following For Their Business / Client's Businesses

■ Brand Marketers ■ Agency Professionals



Source: VAB / Advertiser Perceptions 'Marketer Sentiment on Ad Fraud' Survey, November 2023. Survey base: Marketer and agency contacts from the Advertiser Perceptions 'Senior Marketer' and 'Streaming Video' online communities. Q3A. What are your top 3 concerns surrounding digital ad fraud regarding [your business/your clients' businesses]? Base = Total Respondents. \*Click fraud\* refers to bots, click farms, etc. that generate fake clicks on an ad or website.

# Beyond the ethical and legal implications of running in harmful content, brand safe ads have proven to drive superior conversion rates



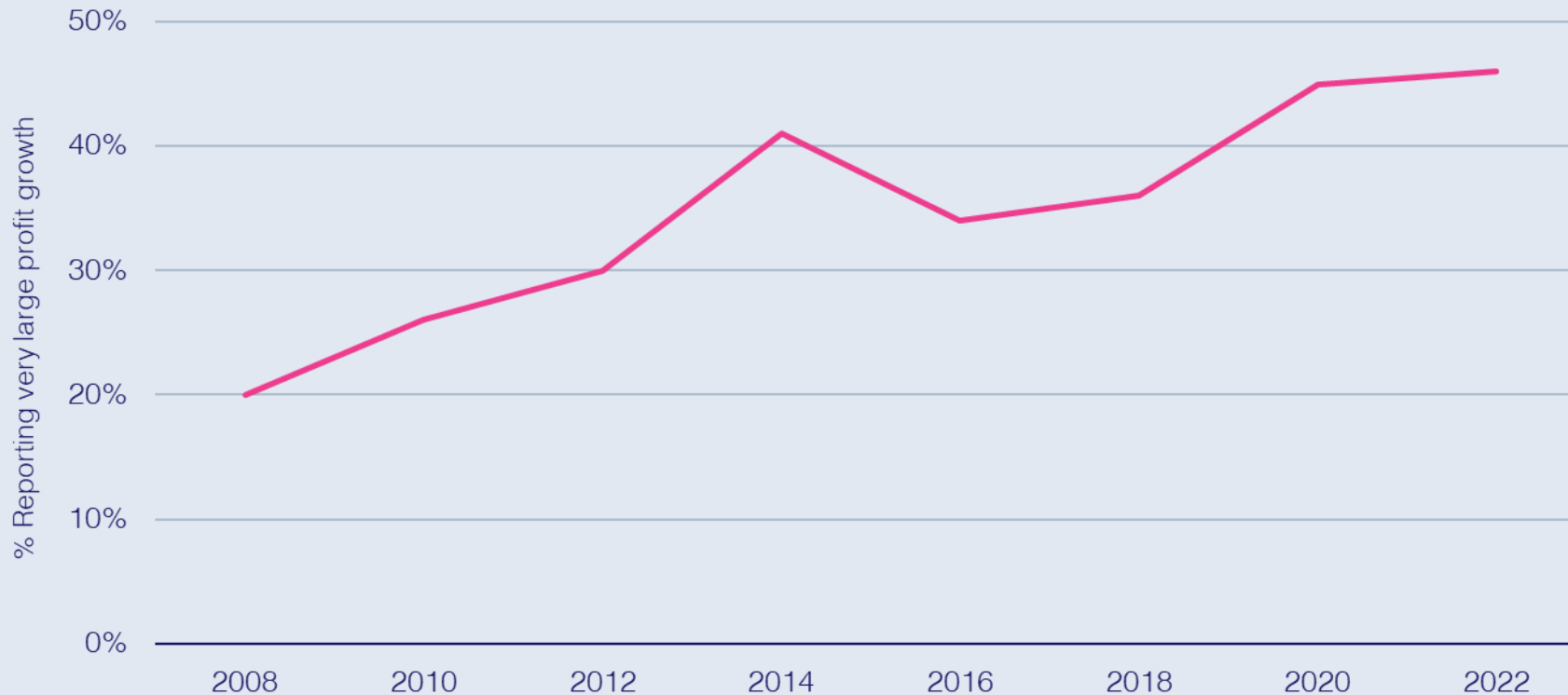
**+233%**

**lift in conversions for  
brand safe impressions** vs.  
non brand safe impressions

Source: Integral Ad Science, *Does Media Quality Drive Attention and Outcomes?*, March 2022. Download VAB's ['What is Brand Safety'](#) to learn more.

# And the ability of a 'brand safe' ad to build trust in today's increasingly skeptical society has a direct, positive effect on profitability

% cases with strong 'trust' growth reporting strong 'profit' growth



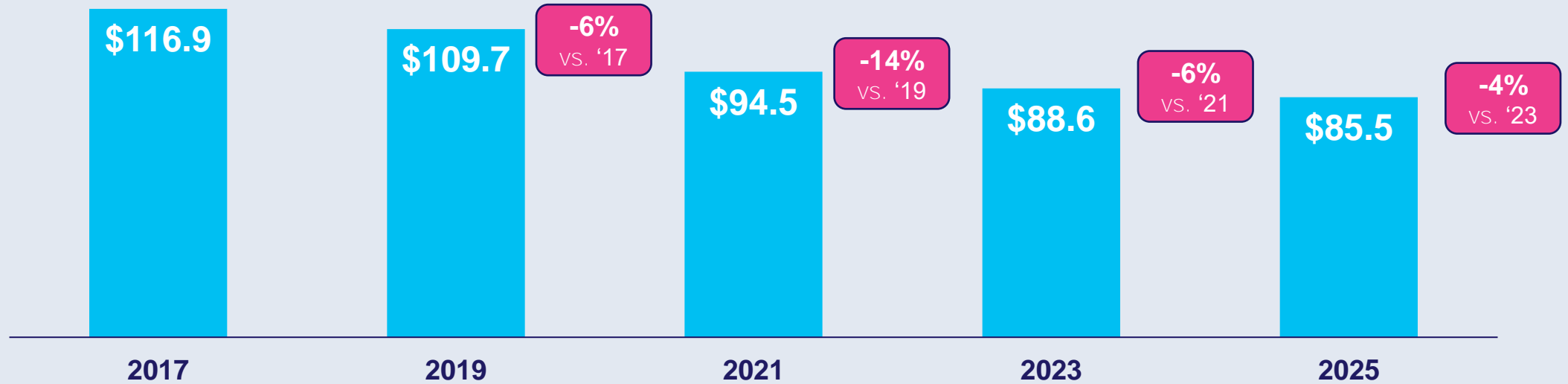
# 67%

of consumers would be likely to **stop using the brand** if they viewed **the brand's digital advertising** beside false, objectionable or inflammatory content\*

Source: Peter Field, *Why TV is Still at the Heart of Effectiveness*, presented at 'The Future of TV Advertising Global' conference in December 2023. Base: IPA Databank 2004-2022 for profit cases reporting very large trust improvements. NB: insufficient data prior to 2008. Click [here](#) to view Peter Field's full presentation online. \*DoubleVerify & Harris Poll, *Consumers Reject Brands That Advertise on 'Fake News' and Objectionable Content Online*, June 2019.

# Still, marketers are shifting ad investment from known brand-safe, transparent media platforms including TV

**'Transparent' Media Ad Spend**  
in billions



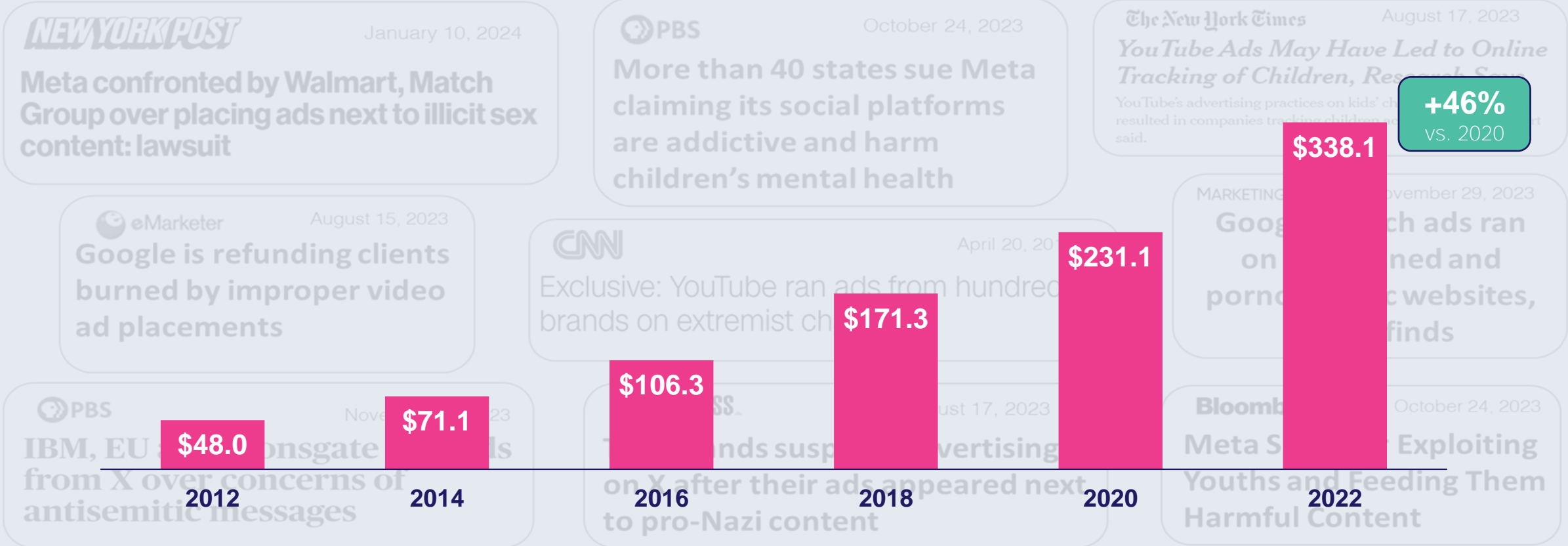
% of total U.S. ad spending**	2017	2019	2021	2023	2025
	57%	44%	30%	25%	20%

Source: eMarketer Insider Intelligence, *Total Media Ad Spending, by Media*, October 2023. **Note:** 'Transparent media' includes linear TV, directories, magazines, newspapers, out-of-home, radio; TV, newspapers, magazines and directories exclude digital; Radio excludes off-air radio and digital. \*Total U.S. ad spend includes digital (desktop/laptop, mobile, and other internet-connected devices), directories, magazines, newspapers, out-of-home, radio, and TV.

# To opaque walled gardens which have been plagued by brand safety scandals

## Major 'Walled Garden' Global Advertising Revenues

Aggregated Alphabet & Meta Revenues (in billions)



## In their own words: Even though marketers don't believe the 'Big Tech' walled gardens would dare to engage in fraudulent activity



“For large entities (Google and Facebook) that incentive is still theoretically there, **but they would have to be very foolish to engage in outright fraud at this point.** So, **I think you're less at risk if you're running on those** versus syndicating your content out to thousands or millions of different smaller sites.”

CMO, Consumer Electronics 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.

# Opaque ad practices not only obscure the many risks of ad fraud but also lead marketers to undervalue premium inventory



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

# More than half of marketers believe the cost of their ad placements has no bearing on the likelihood of ad fraud

% of respondents who feel lower cost and premium-priced digital ad platforms are equally at risk for fraud



Brand Marketers

54%



Agency Professionals

55%

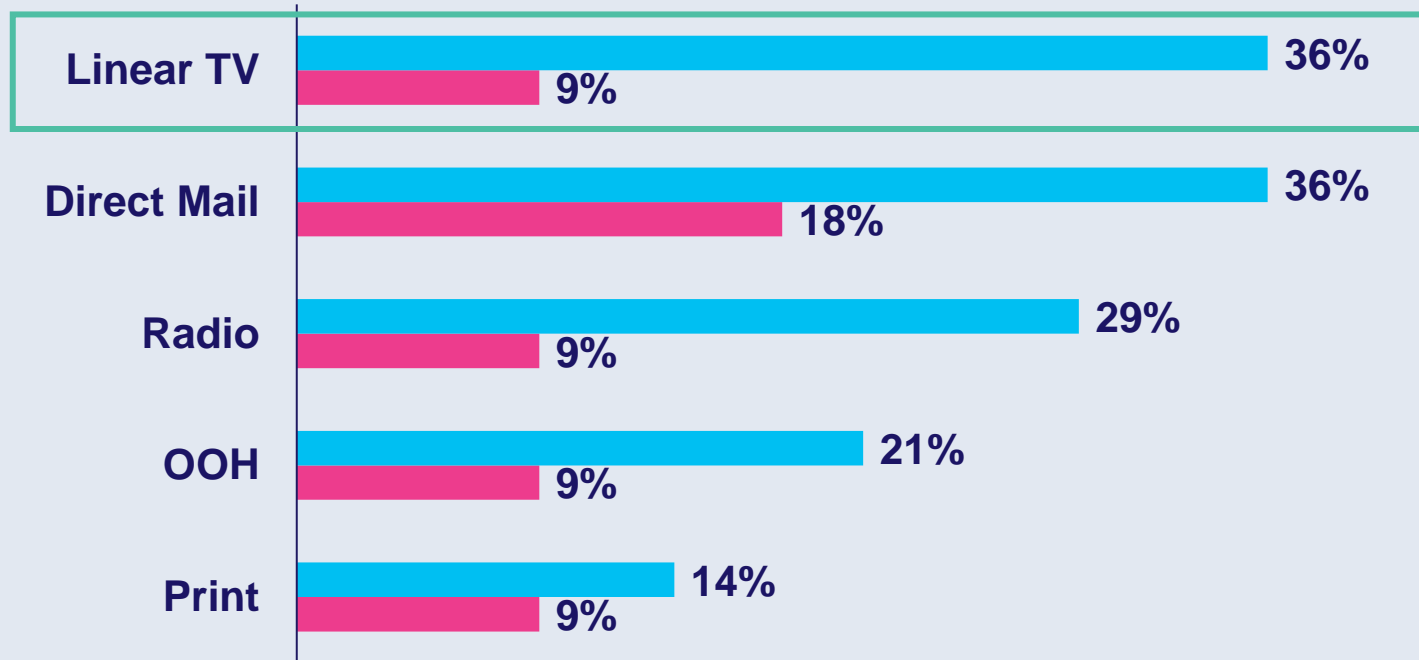


Source: VAB / Advertiser Perceptions 'Marketer Sentiment on Ad Fraud' Survey, November 2023. Survey base: Marketer and agency contacts from the Advertiser Perceptions 'Senior Marketer' and 'Streaming Video' online communities. Q2A. Which of the following statements do you agree with most? (Lower cost digital advertising platforms and premium-priced digital advertising platforms are equally at risk for ad fraud). Base = Total Respondents.

# Misunderstandings regarding the extent of ad fraud were prevalent in 'traditional channels' typically managed by an advertising agency

% of respondents who think traditional platforms are just as vulnerable to ad fraud than digital media

■ Brand Marketers ■ Agency Professionals



Brand marketers are

**4x**

more likely to believe linear TV is vulnerable to fraud compared to agency professionals who have greater visibility into campaign details

Source: VAB / Advertiser Perceptions 'Marketer Sentiment on Ad Fraud' Survey, November 2023. Survey base: Marketer and agency contacts from the Advertiser Perceptions 'Senior Marketer' and 'Streaming Video' online communities. Q1. Are these traditional media channels more vulnerable, just as vulnerable or less vulnerable to ad fraud than digital media channels? Base = Total Respondents.

# Those who believe linear TV is vulnerable to ad fraud are equal to those who see social media as being least prone to digital ad fraud

36%

of brand marketers believe **linear TV is just as vulnerable** to ad fraud than digital media

39%

of brand marketers believe **social media platforms are least prone** to digital ad fraud\*

Source: VAB / Advertiser Perceptions 'Marketer Sentiment on Ad Fraud' Survey, November 2023. Survey base: Marketer and agency contacts from the Advertiser Perceptions 'Senior Marketer' and 'Streaming Video' online communities.  
Q1. Are these traditional media channels more vulnerable, just as vulnerable or less vulnerable to ad fraud than digital media channels? Base = Total Respondents. \*Q2. Please rank the following media platforms in order of which are the most to the least prone to digital ad fraud? Based on rank 1. Base = Total Respondents.

# Despite understanding the dangers of longer-tail, lower-priced inventory, the advantages of premium placements are not fully appreciated or valued

“Where you go out further on the reach curve, that's where you get the problems. There isn't a lot of risk of fraud where most people are "gathering" online. **The more obscure the publisher, the bigger the risk.**”

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

only

**18%**

of brand marketers believe that **premium priced digital ad platforms are less prone to fraud\***

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. \*VAB / Advertiser Perceptions 'Marketer Sentiment on Ad Fraud' Survey, November 2023. Survey base: Marketer and agency contacts from the Advertiser Perceptions 'Senior Marketer' and 'Streaming Video' online communities. Q2A. Which of the following statements do you agree with most? (Premium-priced digital advertising platforms are less prone to ad fraud). Base = Total Respondents.

# Long-tail websites, which are frequently included within ‘walled gardens’ audience network extensions, can raise brand safety and fraud concerns

## Audience Networks (aka Audience Extensions)

A way to expand the reach of a digital campaign with a single publisher by using cookies to identify and track user’s activity on other websites/apps and then serving ads to the same audiences on those 3rd party websites/apps.

### Examples of Audience Networks



#### Google Video Partners Network

*‘Partners are publisher websites and mobile apps where you can show your video ads to viewers beyond YouTube’*



#### Meta Audience Network

*‘Extends Meta’s people-based advertising beyond the Facebook app’*



#### Pangle (TikTok)

*‘Gain access to Pangle’s vast network of mobile apps’*



#### LinkedIn Audience Network

*‘Delivers ads beyond the LinkedIn feed to members on trusted third-party apps and sites’*



#### Microsoft Audience Network

*‘Ad placements are cross-device and include premium sites like MSN, Outlook.com, Microsoft Edge, and other partners’*

Source: Google Ads Help, *About Google video partners*; Meta Business Help Center, *How Meta Audience Network works*; Pangle, *How to level up your ad campaign on Pangle*; LinkedIn Help, *LinkedIn Audience Network FAQs*; Microsoft Advertising Help, *About Microsoft Audience Ads*. To learn more about terminology and facts around digital advertising, click the link to download [‘What Is Digital Ad Fraud’](#)

# Audience networks can also include many ‘Made for Advertising’ websites, which create negative brand associations and wasted ad dollars

“The most problematic are going to be display ads shown on a variety of third-party websites. All of those individual website owners, **publishers are actually incentivized to engage in fraudulent activity.**”

CMO, Consumer Electronics Category  
(Anonymous)

# 4,500+

projected number of existing  
‘Made for Advertising’ Sites\*

**\$10B estimated annual  
global advertising spend**

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. \*ANA (Association of National Advertisers), *Programmatic Media Supply Chain Transparency Study – Complete Report*, December 2023. To learn more about terminology and facts around digital advertising, click the link to download [‘What Is Digital Ad Fraud’](#)

# Most concerning, the ‘solve’ for these issues - industry-wide campaign transparency standards - isn’t a top concern among marketers

## % of respondents who are concerned about the lack of transparency on campaign details and placements

Ranked within top 3 digital ad fraud concerns for the advertising industry overall



**Brand Marketers**

**45%**



**Agency Professionals**

**29%**



Source: VAB / Advertiser Perceptions ‘Marketer Sentiment on Ad Fraud’ Survey, November 2023. Survey base: Marketer and agency contacts from the Advertiser Perceptions ‘Senior Marketer’ and ‘Streaming Video’ online communities. Q3B. What are your top 3 concerns surrounding digital ad fraud regarding the advertising industry overall? Base = Total Respondents. Brand Marketers = ranks tied for #3 behind ‘click fraud’ (82%), ‘inflation of campaign metrics’ (55%), ‘misrepresented ad placements’ (45%). Agency Professionals = ranks #5 behind ‘click fraud’ (68%), ‘misrepresented ad placements’ (39%), ‘inflation of campaign metrics’ (36%), ‘unknowingly appearing on ‘Made for Advertising’ (MFA) websites’ (32%).

# Brands, often isolated from the center of the advertising community, believe a lack of transparency is their issue and not an industry-wide one

**% of brand marketers who are concerned about...**  
Ranked within top 3 digital ad fraud concerns

**Their Business / Client's Businesses**

**The Advertising Industry Overall\***

**Lack of transparency on campaign details and placements**

**43%**

**29%**

**Unknowingly appearing on websites that deliberately serve disinformation / misinformation**

**32%**

**25%**

Source: VAB / Advertiser Perceptions 'Marketer Sentiment on Ad Fraud' Survey, November 2023. Survey base: Marketer and agency contacts from the Advertiser Perceptions 'Senior Marketer' and 'Streaming Video' online communities. Q3A. What are your top 3 concerns surrounding digital ad fraud regarding [your business/your clients' businesses]? \*Q3B. What are your top 3 concerns surrounding digital ad fraud regarding the advertising industry overall? Base = Total Respondents.



# Unknowingly, marketers' digital ad dollars are inadvertently funding criminal operations and other illicit activities

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



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**.

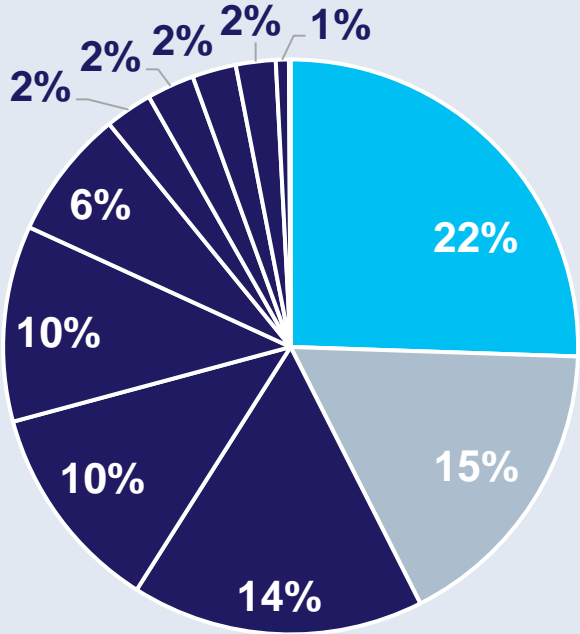
This finding was particularly noteworthy, given that the interviews were conducted after the release of several [Adalytics reports](#) highlighting the [financial, reputational and legal risks](#) advertisers face when engaging with walled gardens.

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



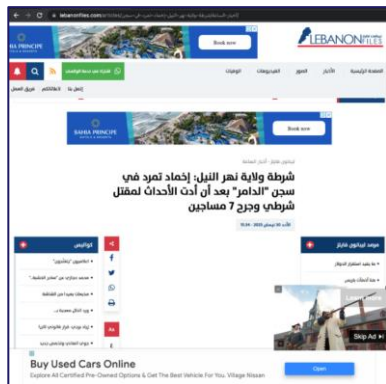
Country of Origin	%
USA	22.3%
Unknown	14.8%
China	14.3%
Singapore	10.3%
Cyprus	9.6%
Malta	6.4%
Germany	2.3%
Turkey	2.3%
UK	2.2%
Israel	2.0%
Denmark	0.6%
Russia	0.1%

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

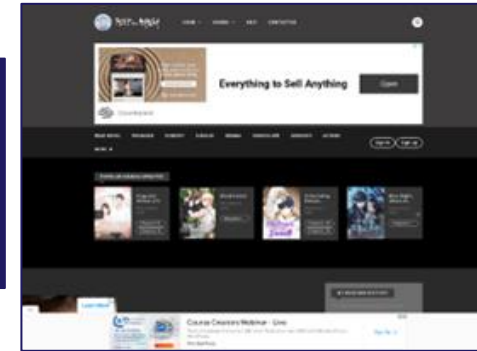
## Sampling of TrueView In-stream Ads Served as Out-stream Ads through Google Video Partner Network (GVP)

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



Foreign Disinformation

Website with over 101,000 DMCA copyright takedowns



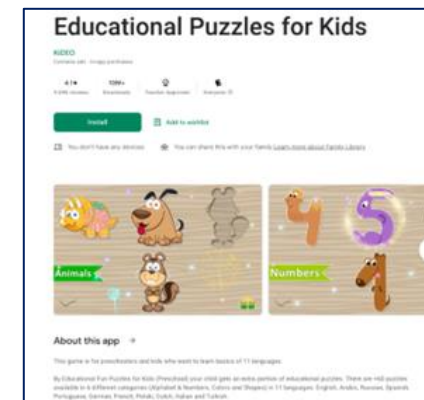
Piracy

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 demanding transparency across all their media & verification partners



**Know**

Know precisely where your video ad campaign is running and exactly who is watching it.



**Stop**

Stop considering any ad video “premium” that lacks a fully transparent ad process.



**Insist**

Insist on campaign transparency from all your video ad partners.



**Trust**

Trust multiscreen TV to always be fully transparent, accurate and accountable.

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

- ▶ There is a lack of culpability within the industry when it comes to addressing ad fraud and while marketers' main recourse is **to reallocate budgets, these conversations don't typically** improve trust or transparency with the offending platform
- ▶ Prioritizing cost over safety compromises ad quality and brand reputation, with marketers underestimating the value of premium, brand-safe inventory despite its proven ability to foster consumer action and drive profitability
- ▶ A general lack of transparency in the advertising industry not only prevents marketers from understanding the true extent and risks of ad fraud, but also potentially facilitates the funding of illicit activities, leading to misguided decisions and undervaluation of safer, more transparent advertising options
- ▶ By actively demanding transparency from media partners and adopting proactive measures, marketers can help combat digital ad fraud and ensure brand safety across platforms

# Creators

## Danielle DeLauro

Executive Vice President  
danielled@thevab.com

## Leah Montner-Dixon

Director, Audience & Behavioral Insights  
leahm@thevab.com

## Jason Wiese

SVP, Director of Strategic Insights  
jasonw@thevab.com

## Karolina Guillen

Associate Director, Insights, Strategy & Analytics  
karolinag@thevab.com

# Discover more

Looking for more data, insights and takeaways?  
Check out this related VAB content



**Hidden Costs**  
Three Critical Business  
Ramifications of Digital Ad Fraud



**Exposing the Double Standard  
in Video Advertising**  
Advertising Week NY 2023 Presentation



**VAB Investigation**  
Did YouTube allow for targeted campaigns to be served on 'Made for Kids' channels?



**The Consumer Connection**  
Understanding the Effect of Quality Across  
Media Platforms



**What is Digital Ad Fraud?**  
A Look Into Critical Issues  
Impacting Marketers Today



**What is The Digital Video  
Supply Chain**  
Understanding the path of digital ad investments

# 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](https://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