



2024

US AD FRAUD SAVINGS REPORT

Conducted by TAG
in partnership with 4A's, ANA & IAB

EXECUTIVE SUMMARY

The 2024 US Ad Fraud Savings Report quantifies the financial savings achieved as a result of cross-industry efforts to reduce ad fraud in the digital advertising ecosystem. This first-of-its-kind report demonstrates that the advertising industry's anti-fraud initiatives resulted in \$10.8 billion in savings in the US in 2023 – a 92% reduction compared to the likely losses due to Invalid Traffic (IVT) without those standards and programs in place.

Ad fraud was historically a persistent and intractable issue in digital advertising, with a 2015 study by the Interactive Advertising Bureau (IAB) and Ernst & Young finding that \$4.6 billion was lost to ad fraud in the U.S. during the prior year. The 2018/2019 Bot Baseline study from the Association of National Advertisers (ANA) and White Ops (the most recent of four studies done jointly by these two organizations), found the cost of ad fraud in 2019 was projected at \$5.8 billion globally.¹

To turn the tide on ad fraud, the ad industry's leading trade associations launched a multi-pronged strategy (described in Appendix A) built around elements including:

- The development and implementation of the “Invalid Traffic (IVT) Detection and Filtration Guidelines” by the Media Rating Council (MRC),²
- The launch and expansion of TAG, a standards and certification body created by the American Association of Advertising Agencies (4A's), ANA, and IAB; and
- The dissemination of innovative tools and standards such as Ads.txt and Sellers.json by the IAB Tech Lab.



With support from hundreds of companies across the digital advertising supply chain who participated in committees and councils inside the ANA and 4A's; organizations engaging in the standards programs from the MRC, IAB Tech Lab, and TAG; and broad adoption of the TAG Certified Against Fraud Seal, multiple studies have shown that IVT rates have now been reduced to less than 1% worldwide in TAG Certified Channels (TCCs), where at least three companies have adopted TAG's anti-fraud standards.

Until now, no research has quantified the financial impact of the industry's unprecedented collaborative efforts to fight fraud. The primary objective of this study is to quantify those savings across video and display advertising³ channels in the US. To do so, the analysis examined the fraud rate in channels with and without industry protections and compared the potential losses without standards against the actual losses in protected channels.

¹ "2018-2019 Bot Baseline: Fraud in Digital Advertising." ANA, 2019. <https://www.ana.net/miccontent/show/id/rr-2019-bot-baseline>

² "Invalid Traffic Detection and Filtration Standards Addendum June 2020 – Update." MRC, 2019. <https://mediaratingcouncil.org/sites/default/files/Standards/IVT%20Addendum%20Update%20062520.pdf>

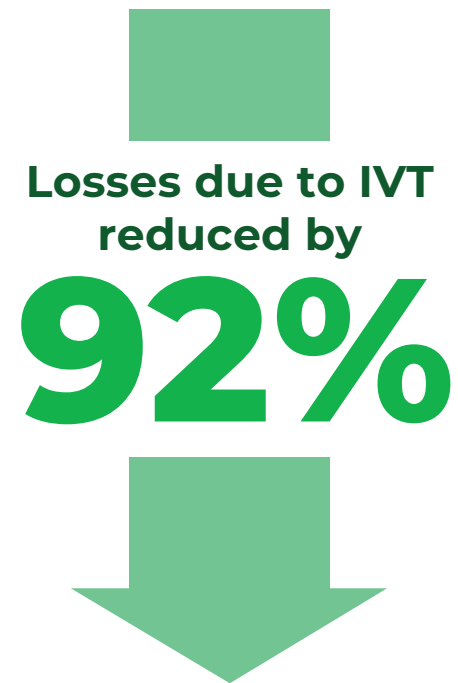
³ The 2024 US Ad Fraud Savings Report measures IVT rates in display and video advertising across devices, including web, app, and CTV in comparison with the TAG Certified Against Fraud Annual Benchmark Report.

KEY FINDINGS



AD INDUSTRY WOULD HAVE LOST \$11.78 BILLION TO IVT IN 2023 WITHOUT ANTI-FRAUD STANDARDS

Without the ad industry anti-fraud programs currently in place, the IVT rate for all display and video advertising in the US would likely be approximately 9.96%, translating to potential losses of approximately \$11.78 billion to ad fraud in 2023, based on a blended IVT rate for unfiltered inventory from four MRC-accredited vendors.



BROAD ADOPTION OF ANTI-FRAUD STANDARDS REDUCED ACTUAL 2023 IVT LOSSES BY 92%

The implementation of broad anti-fraud standards significantly reduced IVT losses in 2023. As a result, the industry's losses due to IVT were reduced by 92% to just \$979 million, a stark contrast to the \$11.78 billion that would have been lost without those standards in place.

\$10.8
BILLION IN SAVINGS

INDUSTRY SAVINGS WERE \$10.8 BILLION IN 2023 THANKS TO ANTI-FRAUD PROGRAMS

The difference between potential losses (\$11.78 billion) and actual losses (\$979 million) resulted in an estimated \$10.8 billion in savings in 2023 and highlights the dramatic bottom-line benefit from industry-wide cooperation around the adoption of anti-fraud standards.



MORE THAN 90% OF US AD SPEND FLOWED THROUGH CHANNELS WITH STANDARDS

The vast majority of US digital ad revenue for video and display advertising in 2023 flowed through companies that had earned TAG's Certified Against Fraud Seal, which recognizes compliance with multiple industry anti-fraud standards. The ten largest digital platforms, which control most US digital ad revenue, were key contributors to this reduction in fraud.

However, the findings also emphasized the importance of continued vigilance, despite the industry's progress in reducing fraud, as fraudsters continue to evolve their tactics.

The 2024 US Ad Fraud Savings Report demonstrates the effectiveness of the industry's collective efforts to combat ad fraud. While the reduction in fraud has saved advertisers billions of dollars, ongoing support and expansion of cross-industry defenses are necessary to maintain these gains and adapt to new forms of fraud. Continued collaboration across the industry is vital – as well as further enhancements to existing anti-fraud programs – to ensure that the digital advertising ecosystem remains secure.





**THE PROBLEM:
LOSING AD DOLLARS
TO AD FRAUD**





BACKGROUND

In 2015, the IAB, in partnership with Ernst & Young, released the first comprehensive estimate of advertising dollars lost to ad fraud, showing that IVT losses cost the industry \$4.6 billion in the U.S. This number quickly became associated with how much fraud is out there by way of describing the scope of ad spend the industry was losing. A number of industry initiatives were created in these early years in order to thwart the rise of IVT. These included, but were not limited to, the 2015 IVT Guidelines from the Media Rating Council (MRC); the joint creation of TAG by the ANA, 4A's and IAB; and technical tools created by the IAB Tech Lab.⁴

To stem the losses to ad fraud, industry efforts focused on minimizing the impact on brand marketers – ensuring the safest passage of campaign dollars possible. Working with TAG member companies representing the global digital advertising supply chain, TAG's Certified Against Fraud (CAF) Seal Program was created to encourage the flow of ad spend through TAG Certified Channels – well-lit pathways in which key intermediaries had achieved the CAF Seal – and the adoption of other industry tools designed to avoid ad fraud. The effectiveness of these programs has been measured in annual TAG US Fraud Benchmark Reports – which measure the display and video media IVT rates lost to ad fraud - since 2017.

WHAT IS AD FRAUD?

Fraud is a generic term, encompassing a range of nefarious activities. For the purposes of this report, the results focus on the broader metric of IVT, which the MRC defines as “traffic that does not meet certain ad serving quality or completeness criteria, or otherwise does not represent legitimate ad traffic that should be included in measurement counts.”

The MRC’s Invalid Traffic Detection and Filtration Standards Addendum separates IVT into two categories:⁵

GENERAL INVALID TRAFFIC (GIVT):

Includes traffic identified through routine and list-based means of filtration -- such as bots, spiders, other crawlers; non-browser user agent headers; and pre-fetch or browser pre-rendered traffic.

SOPHISTICATED INVALID TRAFFIC (SIVT):

Includes traffic identified through advanced analytics, multipoint corroboration, human intervention -- such as hijacked devices, ad tags, or creatives; adware; malware; misappropriated content.

⁴ See Appendix A for the history of industry collaboration

⁵ MRC Invalid Traffic Detection and Filtration Standards Addendum 2020 <https://mediaratingcouncil.org/sites/default/files/Standards/IVT%20Addendum%20Update%20062520.pdf>



In calculating IVT rates, the study combined both SIVT and GIVT in order to achieve a comprehensive result. The analysis also examines both TAG Certified Channel transactions and Non-Certified Channels transactions, as defined below.

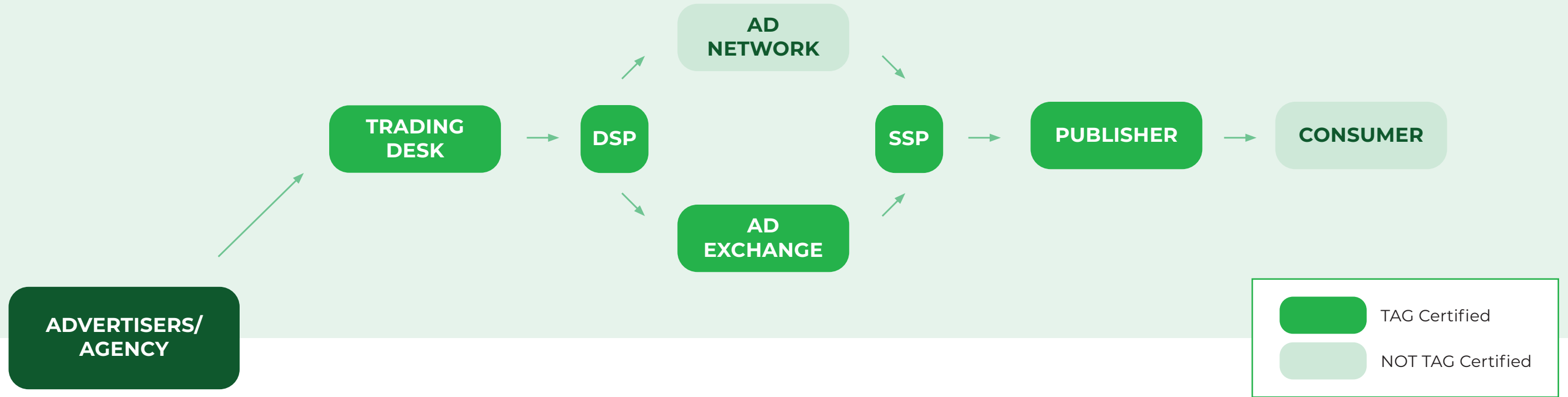
TAG CERTIFIED CHANNEL (TCC):

Transactions that flow through channels in which three or more entities involved in the transaction – such as the media agency, buy-side platform, sell-side platform, and/or publisher – have achieved the TAG Certified Against Fraud Seal.

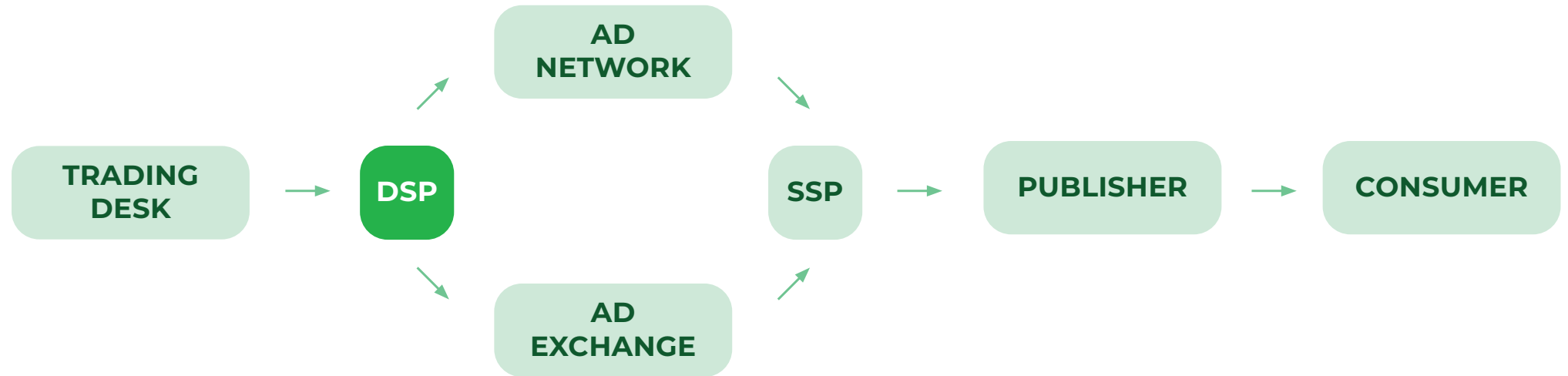
NON-CERTIFIED CHANNELS (NCC):

Transactions that flow through channels in which at least one entity involved in the transaction may have achieved the TAG Certified Against Fraud Seal, but not enough entities for the channel to qualify as a TCC. For example, in a Non-Certified Channel, the media agency might have achieved the TAG Certified Against Fraud Seal, but other key entities - the buy-side platform, sell-side platform, and/or publisher - would not have achieved the certification.

TAG-CERTIFIED CHANNEL AD SPEND PATH (EXAMPLE)



NON-CERTIFIED CHANNEL AD SPEND PATH (EXAMPLE)





**FRAUD SAVINGS
RESEARCH
METHODOLOGY
& KEY FINDINGS**





RESEARCH OBJECTIVE

After more than ten years of cross-industry collaboration to reduce fraud, multiple TAG Fraud Benchmark Reports studies have documented the industry's success in that effort – in particular through low, predictable, and manageable IVT rates of under 1% in channels where multiple participants have adopted the industry's high anti-fraud standards. This study set out to determine how much money was saved by advertisers in 2023 thanks to the industry's adoption of those anti-fraud programs and standards.



SUMMARY OF METHODOLOGY

This study analyzed the savings resulting from the digital advertising industry's implementation of effective anti-fraud programs by determining the total amount that would have been lost to IVT in 2023 without those programs in place, then subtracting the remaining amount of IVT-related dollars lost that continues to exist in channels with robust anti-fraud standards. The study focused on video and display advertising channels in the US to allow direct comparison with the annual TAG US Fraud Benchmark Report, based on the high-quality revenue data publicly available in those channels.

The amount that would have been lost to fraud this year without standards in place was calculated by multiplying the current IVT rate for unfiltered (i.e. unprotected) inventory in the US (based on 2023 and early 2024 industry estimates) against the total US display and video ad market.

The amount actually lost to IVT in protected channels was calculated by multiplying the weighted average IVT rate for video and display advertising in which at least one supply chain participant has adopted the TAG Certified Against Fraud standards (i.e. TCC and NCC inventory) against the total video/display ad revenue through those channels in 2023.

By subtracting the total currently lost to IVT in protected channels from the total that would have been lost to IVT last year without those protections, the study determined a valid estimate for the total fraud savings in the US in 2023 thanks to those programs. Details of each element of that analysis follow.

The study used the following formula to determine the industry's fraud saving across video and display advertising in the United States for 2023:

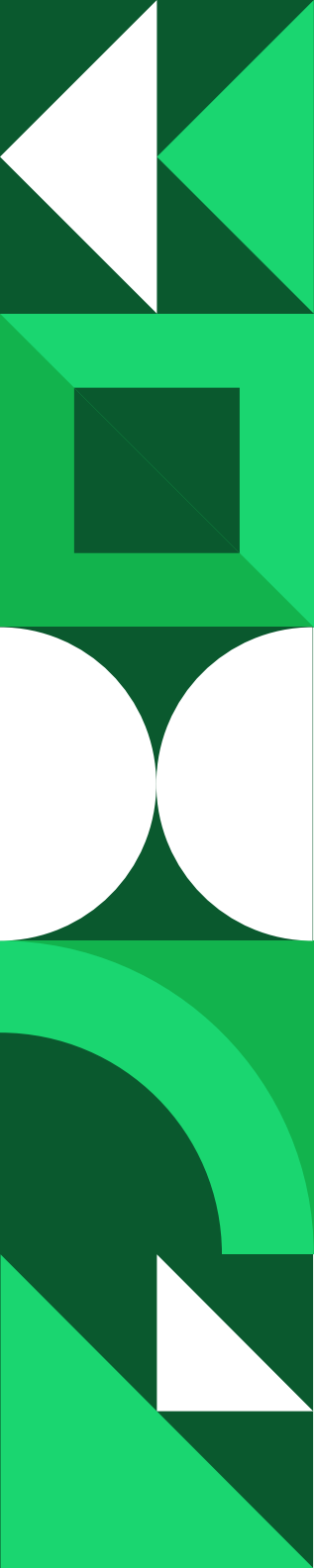
2023 US DIGITAL AD FRAUD SAVINGS



Amount currently lost to IVT despite channels using standards



Amount that would have been lost to IVT without any standards



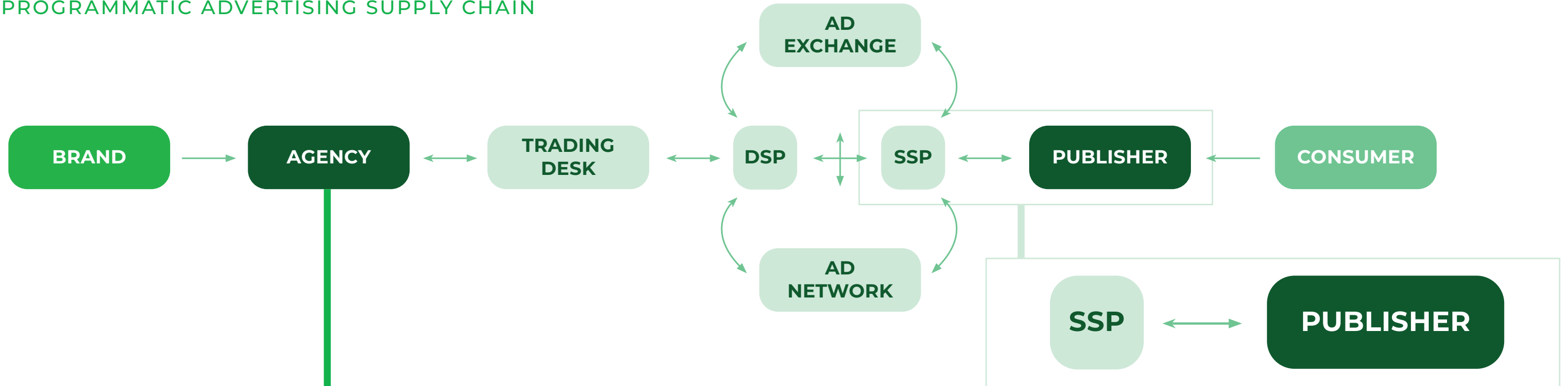
HOW MUCH AD SPEND WOULD HAVE BEEN LOST TO FRAUD IF INDUSTRY ANTI-FRAUD PROGRAMS DIDN'T EXIST?

To determine how much the digital advertising industry would have lost to video and display ad fraud in the US in 2023 without current programs, the study evaluated the amount of revenue that is currently lost to IVT in channels with little to no previous filtration. This measurement can be described as the “unoptimized” or “unfiltered” IVT rate.

It is a truism in research that where you measure matters. In this case, it is important to recognize that the methodology used to determine how much advertising dollars would have been lost to fraud if industry anti-fraud programs did not exist involved measuring IVT rates at several different points in the digital advertising supply chain.

WHERE YOU MEASURE MATTERS:

PROGRAMMATIC ADVERTISING SUPPLY CHAIN



TAG 2023 BENCHMARK IVT & ESTIMATE LOSS

TAG Benchmark IVT Rate: 0.92% Weight Average
 Potential Advertising Dollars Lost = \$979 Million

SOURCE:

TAG US Fraud Benchmark Report 2023 with Agency Partners

UNFILTERED IVT RATE & ESTIMATE LOSS

Unfiltered IVT Rate = 9.96%
 Potential Advertising Dollars Lost = \$11.78 Billion

SOURCE:

MRC Accredited IVT Filtration Vendors

Since 2017, the annual TAG US Fraud Benchmark Report has focused on how low the industry can go with regard to IVT rates. Thanks to the support of advertising agency and MRC-accredited vendor partners, those studies determined that today less than 1% IVT remains when inventory runs through TCCs – where it is filtered at least three times with the SSP, the DSP, the agency and sometimes even the publisher – before the IVT rate is reviewed at the agency level.

Just as measuring IVT at the end of a transaction – at the agency level – yields the lowest IVT rate in the supply chain, it is logical to assume that higher rates of IVT are found if you measure farther downstream in the supply chain – towards publishers and SSPs – where fewer rounds of filtration have taken place. This was affirmed in the data regarding unfiltered IVT rates collected from the MRC-accredited vendors participating in this research.

To determine the unfiltered IVT rate, the study analyzed data from four MRC-accredited IVT filtration vendors, including DoubleVerify, Integral Ad Science, Oracle Data Cloud's Moat⁶, and Picalate from 2023 and early 2024. While all four vendors are accredited by the MRC, each has nuanced detection capabilities, and combining data from multiple vendors ensures greater accuracy.

The blended average for the unfiltered IVT rates from all four vendors was found to be roughly 9.96% in display and video campaigns combined. If the digital advertising industry had not implemented the standards and protections that are currently in broad use across the supply chain, that 9.96% IVT rate would likely be the industry norm – if not higher.

To determine the total amount of current digital video and display advertising revenue in the US, the study used the analysis done for the IAB/PwC Internet Advertising Revenue Report 2024.⁷ According to that report, US display advertising revenue in 2023 was \$66.1 billion, and digital video ad revenue was an additional \$52.1 billion, combining for a total US display and video revenue of \$118.2 billion.

This study then calculated the aggregate amount that would have been lost to IVT if no standards existed by running the unfiltered IVT rate for display and video inventory – roughly 9.96% – against the total US revenue for each channel combined in 2023.

The combined IVT losses for display and video channels in supply channels without industry standards would therefore have totalled \$11.78 billion.

⁶ At the time of this collection, the data from Oracle Data Cloud's Moat was valid as the MRC accredited data supplied was prior to Moat's announcement of discontinuation.

⁷ IAB/PwC Internet Advertising Revenue Report 2024 <https://www.iab.com/insights/internet-advertising-revenue-report-2024/>



HOW MANY ADVERTISING DOLLARS WERE LOST TO AD FRAUD IN CHANNELS ADOPTING ANTI-FRAUD STANDARDS IN 2023?

To determine the estimated amount of digital video and display advertising dollars actually lost to IVT in channels that have adopted industry standards, this study analyzed the industry's largest recipients of advertising revenue by citing revenue from the 2024 IAB/PwC Annual Report and using the top 10 in revenue from eMarketer's 2023 Ad Spend Report⁸. According to the 2024 IAB/PwC Annual Report cited above, 79.8% of total 2023 digital advertising revenue in display and video (\$118.2 billion) went to the top 10 companies in the industry.

2023 DIGITAL ADVERTISING REVENUE

While the 2024 IAB/PwC Report did not disclose the names of the top 10 companies alluded to in its analysis, eMarketer's 2023 US Ad Spend Report⁹ includes a list of the top 10 companies by revenue with over \$2 billion in US Net Digital Ad Revenues. Those companies are:

**TOTAL AD REVENUE:
USD \$118.2 BILLION**

**ALMOST 80% OF
TOTAL AD REVENUE
WENT TO:**



- 1 Google
- 2 Meta
- 3 Amazon
- 4 Microsoft
- 5 Tik Tok
- 6 Apple
- 7 Hulu
- 8 Walmart
- 9 Pinterest
- 10 Roku

Given that nearly all of the companies on eMarketer's top 10 revenue list hold TAG's Certified Against Fraud Seal, it can be deduced that a minimum of 80% of total US advertising dollars in 2023 flowed through channels that have adopted anti-fraud standards – either through TCCs or NCCs .

Beyond the ad revenue estimated via eMarketer's top 10 list, a significant portion of remaining ad spend also flows through TCCs and NCCs. Agency holding companies drive a large portion of the non-top 10 ad spend through TCCs and NCCs, as do TAG Certified Companies such as The Trade Desk and Amazon DSP, as well as Google's DV 360 and footprint as an ad server. The 2023 TAG US Fraud Benchmark Report¹⁰ monitored over 1 trillion impressions coming from agency holding companies alone.

When these additional spend avenues are added to the revenue already accounted for in eMarketer's top 10, the percentage of ad spend flowing through companies that have adopted anti-fraud standards (i.e. TCCs and NCCs) totals well over 90% of the \$118.2 billion total US 2023 ad revenue across display and digital video channels cited from the IAB/PwC report.

Using that conservative 90% estimate, the amount of US video and display ad revenue flowing through TCCs and NCCs in 2023 was \$106.4 billion (which includes display revenue of \$59.5 billion and video revenue of \$46.9 billion).

To determine the actual dollar amount lost to IVT when companies choose to buy through TCCs and NCCs in 2023, this study used the average US IVT rate found across both TCCs and NCCs, according to the TAG 2023 US Fraud Benchmark Report. That report found that the weighted average of IVT found across both TCCs and NCCs was 0.92%.

Given that \$106.4 billion in ad revenue flowed through TCCs and NCCs in 2023, the study projects that roughly \$979M was lost to IVT when brands and their agencies chose to buy through TCCs and NCCs in 2023, a small representation of the \$11.78 billion that otherwise would have been lost to IVT without those industry standards.

⁸ Both the 2024 IAB/PwC Annual Report and the eMarketer's 2023 Ad Spend Report used cite revenue as their calculation.

⁹ eMarketer's 2023 US Ad Spend Report 2023 TAG US Fraud Benchmark Report https://www.emarketer.com/uploads/pdf/US_Ad_Spending_2023.pdf

¹⁰ TAG 2023 US Fraud Benchmark Report <https://www.tagtoday.net/insights/usfraud2023>

HOW MUCH DID DIGITAL ADVERTISERS REDUCE FRAUD LOSSES IN 2023 DUE TO INDUSTRY PROGRAMS?

Using the same 2024 IAB/PwC Report findings of \$66.1B display revenue and \$52.1B digital video revenue in 2023, the combined amount of money likely lost to IVT with no industry action would have been roughly \$11.78 billion of the \$118.2 billion in total revenue. By contrast, only \$979 million of the \$106.4 billion in US display and video ad revenue that flowed through TCCs and NCCs in 2023 is estimated to have been lost to IVT.

We can expect that through industry efforts that the amount of IVT removed from the supply chain saves the industry approximately \$10.8 billion annually, a reduction of 92% vs. the IVT losses that would likely take place without the industry's anti-fraud programs.

	With no industry action	With industry action
Display & Video Revenue	\$118.2 Billion*	\$106.4 Billion**
IVT Rate in Percent	9.96%***	0.92%****
Estimated Total Loss	\$11.78 Billion	\$979 Million
Savings	\$10,801,000,000	

*Combined 2023 display and video revenue from 2024 IAB/PwC report

** 90% of \$118.2 billion in combined display and video 2023 revenue from 2024 IAB/PwC report, representing conservative estimate for US display and video ad revenue flowing through TAG certified companies.

***Unfiltered IVT rate collected from four MRC-accredited vendors across a minimum of three quarters of display and video in 2023 and 2024. North America and US-only IVT rates used.

****Weighted average of IVT from TCCs and NCCs in US TAG 2023 US Fraud Benchmark Report.



WHERE DO WE GO FROM HERE?

Ten years into the fight against IVT, we know there is more ad fraud out there and that criminals seeking to take advantage will continue to look for new ways to subvert the industry's efforts to stop ad fraud. We know our monitoring of display and video advertising campaigns is only part of the solution. The industry's ability to peer into search and other closed-off walled gardens continues to cause concern. Even if MRC-accredited solutions exist in those closed-off channels, the inability to independently measure and benchmark creates transparency issues.

We also know that other technical tools exist and still need further industry adoption. The IAB Tech Lab's Supply Chain Object (2019)¹¹ and Ads.cert (2022) technical protocols, for example, are two standards-based solutions that could significantly contribute to ad fraud mitigation through security and transparency but lack scaled adoption from supply chain intermediaries. By understanding and enforcing these additional standards, agencies and brands can bolster the existing industry anti-fraud framework through required disclosures of adoption, further instilling even more trust that their ad spend reaches their intended audience through certified channels.

The first line of defense – closest to the ad opportunity – is the most important, and the rates we have observed are conservative. Nonetheless, the savings observed in this report are real. The multiple programs established – from accrediting detection companies and implementing technical transparency solutions to simply knowing who you are partnering with – are working. The industry must not become complacent due to the success of having established safe channels to buy and deliver display and video campaigns. Despite that progress, \$979 million lost to fraud is still a significant number, even if there is less than one percent IVT. While a zero fraud industry is not possible, it's still the goal to try to achieve. A savings number of \$10.6B annually is no small feat and illustrates the years of diligence and combined efforts of many organizations and partners. The digital advertising industry is still growing, meaning the threat is ever present. Understanding the supply chain, how much filtration occurs, and how much negative exposure to marketing dollars remains an exercise of collaboration.

¹¹ Supply Chain Object (released 2019): This standard provides end-to-end transparency by clearly identifying all intermediaries involved in delivering an ad impression. Mapping out the entire supply chain from the advertiser to the publisher allows for better visibility into the ad delivery process. This transparency ensures that only authorized parties are part of the supply chain, reducing the risk of ad fraud, such as domain spoofing, where fraudulent actors misrepresent themselves as legitimate websites to siphon ad dollars.

¹² Ads.cert 2.0 (released 2022): This standard adds a layer of cryptographic security to digital ad transactions. By authenticating the identities of supply chain participants through cryptographic signatures, ads.cert ensures that only verified players are involved in ad transactions. This prevents malicious actors from inserting fraudulent impressions, clicks, or ad units into the supply chain. Ads.cert's authentication mechanism mitigates the risk of impression laundering, where fraudulent inventory is disguised as premium inventory.

ACKNOWLEDGEMENTS

PRINCIPAL INVESTIGATOR, AUTHOR, AND ADVISOR TO TEAM TAG:

- Scott Cunningham, Cunningham.Tech Consulting.
Cunningham is a longtime partner and collaborator to the ANA, 4A's, and IAB trade associations and members, as well as a Founder and continued supporter of the IAB Tech Lab.

AGENCY PARTNERS:

For continued recognition in their contributions to the TAG Certified Against Fraud Annual Benchmark who without their collaboration, this study and industry savings would not be possible.

TRADE ASSOCIATION STEERING COMMITTEE AND COLLABORATIVE AUTHORS:

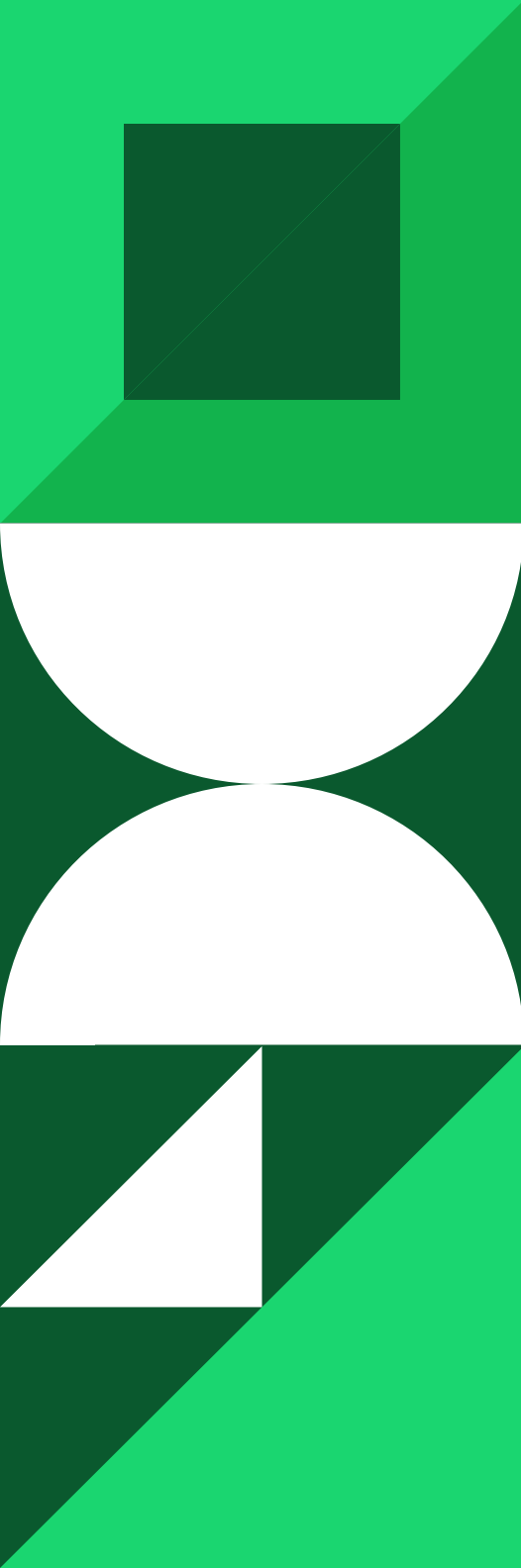
- Jackson Beasley, EVP Measurement for Marketers, ANA
- Angelina Eng, VP Measurement, Addressability & Data Center, IAB

MRC ACCREDITED MEASUREMENT PARTNERS:

- DoubleVerify
- Integral Ad Science
- Oracle Data Cloud's Moat
- Pixalate

ADDITIONAL CONTRIBUTORS:

Finally, special thanks to all the other companies and members of each trade association for your continued collaboration. Your support remains invaluable.



APPENDIX A: INDUSTRY COLLABORATIONS TO STOP AD FRAUD



AMERICAN ASSOCIATION OF ADVERTISING AGENCIES (4A's)

The 4A's was established in 1917 to promote, advance, and defend the interests of our member agencies, employees and the advertising and marketing industry overall. We empower and equip our members to confidently navigate the ever-changing ecosystem of the agency world. We ensure they remain relevant, are positioned to compete, and have the resources to thrive and grow. With a focus on advocacy, talent and driving business growth and cultural change, the organization serves 600+ member agencies across 1,200 offices, which help direct more than 85% of total U.S. advertising spend.

The 4A's includes the 4A's Benefits division, which insures more than 160,000 employees; the government relations team, who advocate for policies to support the industry; and the 4A's Foundation, which advocates for and connects diverse talent to the marketing industry by fostering a culture of curiosity, creativity and craft to fuel a more equitable future.

4A's are committed to continued efforts to reduce all forms of fraud in advertising. While the industry has come a long way, fraudulent activities continue and evolve to take on new forms. It requires the ongoing diligence of groups like TAG to identify and minimize fraud in the advertising ecosystem.



ASSOCIATION OF NATIONAL ADVERTISERS (ANA)

The ANA is the U.S. advertising industry's oldest and largest trade association, established to promote cooperative relationships between regional and national advertising industries, manufacturers and dealers, and advertisers and agencies.

In addition to the ANA's role in the creation of TAG and support of MRC, research from the ANA and its partners has been key in ensuring that advertisers understood the scope of the ad fraud problem and supported industry efforts to reign in the problem.

The first of four ANA / White Ops Bot Baseline study helped provide the industry with a better understanding of the impact of fraud on the online advertising ecosystem and provided a series of action steps to help stakeholders reduce fraud. The study measured 5.5 billion impressions in 3 million domains and its findings included:

- 23% of video ad impressions were identified as bot fraud;
- 11% of display ad impressions were classified as bot fraud;
- Publishers who bought sourced traffic from a third party, as a means to drive additional unique visitors to their site, had a bot fraud rate of 52% on that sourced traffic;
- Programmatic display bot traffic averaged 17% bot fraud; and
- Bot fraud for retargeted ads was 19%;
- Global advertisers were expected to lose \$6.3 billion to bots in 2015.

The 2018/2019 Bot Baseline study from the ANA and White Ops – the most recent of four studies done jointly by these two organizations – showed the cost of ad fraud in 2019 was projected at \$5.8 billion globally. These reports have been key in convincing the advertising industry to participate in the creation of and adopt standards that have turned the tide on ad fraud.



INTERACTIVE ADVERTISING BUREAU (IAB)

The Interactive Advertising Bureau (IAB) empowers the media and marketing industries to thrive in the digital economy. Its membership comprises more than 700 leading media companies, brands, agencies, and the technology firms responsible for selling, delivering, and optimizing digital ad marketing campaigns. The trade group fields critical research on interactive advertising, while also educating brands, agencies, and the wider business community on the importance of digital marketing. In affiliation with the IAB Tech Lab, IAB develops technical standards and solutions. IAB is committed to professional development and elevating the knowledge, skills, expertise, and diversity of the workforce across the industry. Through the work of its public policy office in Washington, D.C., the trade association advocates for its members and promotes the value of the interactive advertising industry to legislators and policymakers. Founded in 1996, IAB is headquartered in New York City.

In addition to the IAB's role in the creation of TAG, research from the IAB and its partners as well as technical standards from the IAB Tech Lab have been key in ensuring that advertisers understood the scope of the ad fraud problem and supported industry efforts to reign in the problem. The "What is an Untrustworthy Supply Chain Costing the US Digital Advertising Industry?" study undertaken by the IAB and Ernst & Young estimated the percentage (i.e., the IVT rate applied to 2014 review) and cost impact of IVT across pricing models and ad formats delivered to desktop and mobile platforms at 9.6% of ad spend for a total of \$4.4B.



INTERACTIVE ADVERTISING BUREAU (IAB) TECH LAB

The IAB Tech Lab is a non-profit consortium that engages a member community globally to develop foundational technology and standards that enable growth and trust in the digital media ecosystem. Established in 2014 – and announced the same day as TAG’s creation – the Tech Lab is comprised of digital publishers, ad technology firms, agencies, marketers, and other member companies and focuses on solutions for brand safety and ad fraud; identity, data, and consumer privacy; ad experiences and measurement; and programmatic effectiveness.

The Tech Lab has created key standards and technology solutions used to fight against fraud – including Ads.txt, App-Ads.txt for mobile apps and CTV apps, Sellers.json, supply chain object and ads.cert – to aid Ad Tech companies in mitigating fraud in the supply chain. In addition, the IAB Tech Lab Tools Portal provides resources with supply chain meta data and aggregation of ads.txt data for fraud management.



MEDIA RATING COUNCIL (MRC)

The Media Rating Council (MRC) is a not-for-profit industry self regulatory body, established in 1963 at the request of US Congress, that audits and accredits media measurement products and data sources across Digital, Out-of-Home, Print, Radio, Television, and cross-media products.

The organization's objectives are to:

- Secure for the media industry and related users measurement services that are valid, reliable and effective;
- Evolve and determine minimum disclosure and ethical criteria for media measurement services; and
- Provide and administer an audit system designed to inform users as to whether such measurements are conducted in conformance with the criteria and procedures developed.

The MRC first issued IVT Guidelines on October 21, 2015. It has continued to make updates to the IVT Guidelines as required over time and released an IVT Detection and Filtration Standards Addendum in June 2020. The MRC's IVT Guidelines represent the standard against which IVT measurement organizations are audited.



TRUSTWORTHY ACCOUNTABILITY GROUP (TAG)

On September 28th, 2014, the CEO's of the advertising trade associations ANA, 4A's and IAB announced the creation of TAG in a show of collaboration across the various interests of the members of these trade organizations from Advertisers, Agencies, Publishers and Technology companies.

In 2016, TAG launched its Certified Against Fraud (CAF) Seal Program to combat invalid traffic in the digital advertising supply chain and continues to update the CAF Guidelines at least once annually to reflect changes in industry practices. Companies that are shown to abide by the CAF Guidelines receive the CAF Seal and use the seal to publicly communicate their commitment to combating fraud. By encouraging legitimate participants in the digital advertising supply chain to meet these standards, the TAG CAF Program has been shown to be an effective tool in reducing fraudulent invalid traffic in the digital advertising supply chain. Today, participants in the digital ad supply chain can ask one simple question to discern if their partners have taken the necessary steps to fight ad fraud: "Are you TAG Certified Against Fraud?"

Beginning in 2017, TAG partnered with The 614 Group to produce annual global Fraud Benchmark Reports that quantify how much the level of IVT is reduced when advertisers choose to buy through TAG Certified Channels (TCCs) as compared to Non-Certified Channels (NCCs).

The TAG Annual Benchmark is the industry-recognized metric by which Marketers and Buyers negotiate acceptable IVT rates contractually and has historically served as the guide for industry efforts. Now under 1 percent consistently, Marketers can be confident that their media investments in display and video avoid ad fraud with increasing success with the certified and accredited partners up and down the supply chain.

The trade association backing of the MRC IVT Guidelines and TAG Certified Against Fraud Seal Program has led to year over year detection and removal of Ad Fraud with increasing declining rates.

THANK YOU