



TAG Fraud Benchmark Study

DECEMBER 2017

A report conducted by The 614 Group, commissioned by Trustworthy Accountability Group



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Donald Williams, EVP, Chief Digital Officer, Horizon Media

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TAG Certified and MRC Accredited Vendors, DoubleVerify, IAS, and MOAT

BACKGROUND INFORMATION



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Data Collection Dates:
July 1st 2017 – October 31st 2017

Qualitative Interviews Dates:
August and September 2017

Data Received from:
GroupM, Horizon Media,
and IPG Mediabrands

All data was measured by:
DoubleVerify, IAS or Moat



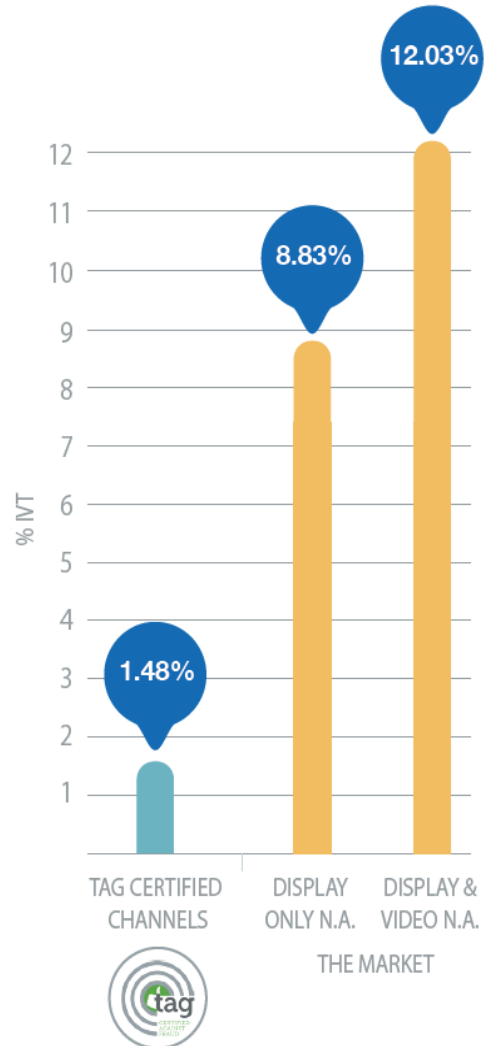
WHAT IS A TAG CERTIFIED CHANNEL?



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TAG Fraud Benchmark Study

THE QUANTATIVE RESULTS

Comparing Fraud Rates – Industry Average vs. Inventory Purchased through TAG Certified Channels



Key Data Points:

Impressions Measured:	6,554,518,004
Impressions Classified as Fraud:	97,317,210
IVT Rate:	1.48%

METHODOLOGY HIGHLIGHTS

The 614 Group research focused on measuring rates of IVT found in campaigns run through TAG Certified Channels. A TAG Certified Channel is a channel in which multiple entities involved in the transaction – such as the media agency, buy-side platform, sell-side platform and/or publisher – had achieved the TAG Certified Against Fraud Seal.

In addition to the quantitative analysis of IVT levels in TAG Certified Channels, The 614 Group also conducted in-depth qualitative interview of post-campaign fraudulent activity covering such topics as:

- How suppliers handle fraudulent delivery with the client
- What agencies can do to avoid running such inventory in the future

KEY QUALITATIVE FINDINGS (Interview Analysis)

- Agencies strongly encourage the clients not to pay for IVT and support them in doing it
- Agencies have standing policies for handling IVT, but those policies by necessity are operationalized at the group level
- Reconciliation is a time consuming process
- Agencies, just a publishers commitment to quality is based on the amount of IVT levels found in their traffic
- Sharing data with publishers is best the strategy to reduce IVT in the market at present
- Much is still needed in the fight against IVT

THE CURRENT STATE OF THE MARKET TOLD THROUGH AGENCY EXECUTIVES

*Our new KPIs are agreeing to too standards, sharing of insights with publishers, benchmarking, and clearly defining NHT/SIVT upfront. In the long run, we rebuild trust, reduce exposure and minimize the need for future make goods. Partnership over punishment. - **Saqib Mausoo**, **Chief Data Strategist, IPG Mediabrands***

*Clients also need to be better educated on the difficulty and costs of detecting and blocking IVT. “it’s hard to get everyone aligned around what is and isn’t possible because it requires resource and energy and education and there is plenty to do aside from focus your energy on ad verification solutions. I think we are trending in a positive direction but there is still certainly a gap. - **Donald Williams** – **Chief Investment Officer, Horizon Media***

*The industry urgently needs solutions that work with programmatic. “if we get to the point where buyers can both see whether or not suppliers are TAG Registered and if so, which certifications are held under that registration, than fraud detection can occur in the pre-bid,” - **Joe Barone** – **Head of Brand Safety, Americas, GroupM***

IMPORTANT STEPS FOR MARKETERS TO ENSURE BRAND SAFETY

- **Lead the Charge:** Designate a trained Brand Safety Officer to protect your brand from ad fraud and other criminal activity
- **Communicate Your Commitment:** Work with your agencies to establish a clear and consistent policy to measure fraud effectively
- **Know Your Partners:** Choose to work with TAG Certified Against Fraud partners
- **Be Vigilant:** Refuse to pay for fraud

Broader Takeaways for All TAG Members

- **TAG Registration** becoming ubiquitous and global
 - 475 registered companies
 - 80+ international companies across 24 countries
- **Certified Against Fraud Program** proven to be effective
 - Fraud rate of just 1.48%
 - 83% cleaner than industry averages
- **Certified Against Piracy Program** proven to be effective:
 - Industry efforts reduced ad revenue to pirate sites by 48-61%
 - Majority of revenue comes from non-premium marketers

Next Steps for All TAG Members

- Brand safety requires protecting marketers from multiple threats
 - Expand your certifications across all areas: Fraud, Piracy, Malware, and IQG
 - Focus to be on mobile apps and OTT
 - Work with trusted partners
 - Ensure compliance through contracts and other legal instruments
- Brand safety is a global priority
 - Certify your operations in other marketers
 - TAG's EU office opening in Q1 2018

ABOUT THE 614 GROUP

The 614 Group is a results-driven digital advertising infrastructure consultancy, providing strategic and tactical services to our media clients.

Through our core services, original content, live events and research we empower the industry-at-large with cutting edge education and resources. Our philosophy of building long-term partnerships with our clients drives us to evolve our offerings in tandem with a constantly innovating marketplace, ensuring our client's success within the digital advertising ecosystem and beyond.

We build strategies. We solve problems. We foster communities.



Questions?