

# TAG European Fraud Benchmark Report

July 2021

Research conducted by The 614 Group, commissioned by The Trustworthy Accountability Group

**614**  
GROUP



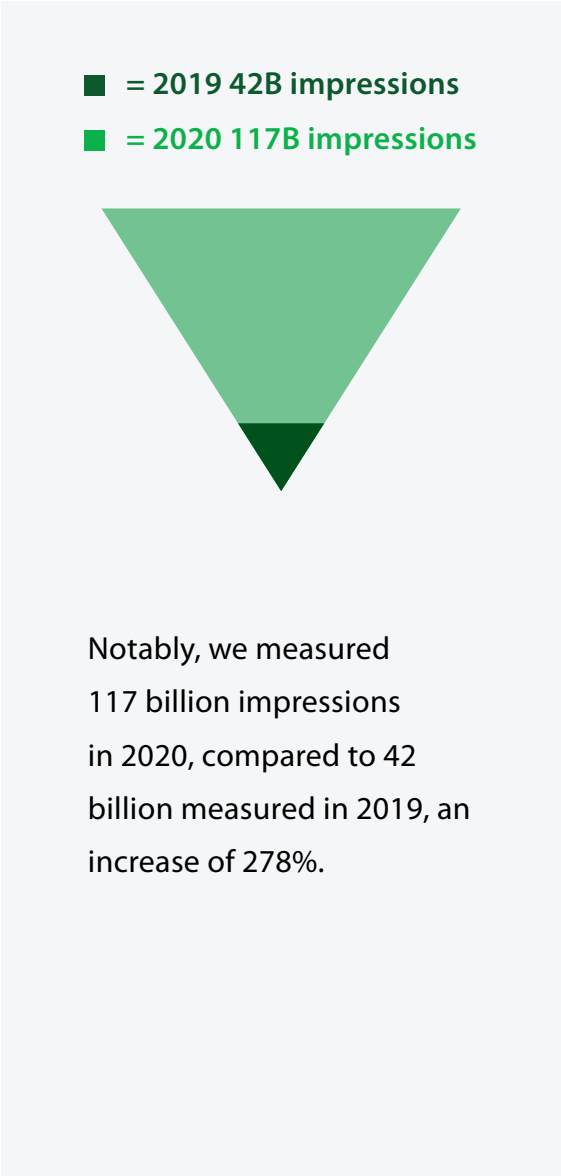
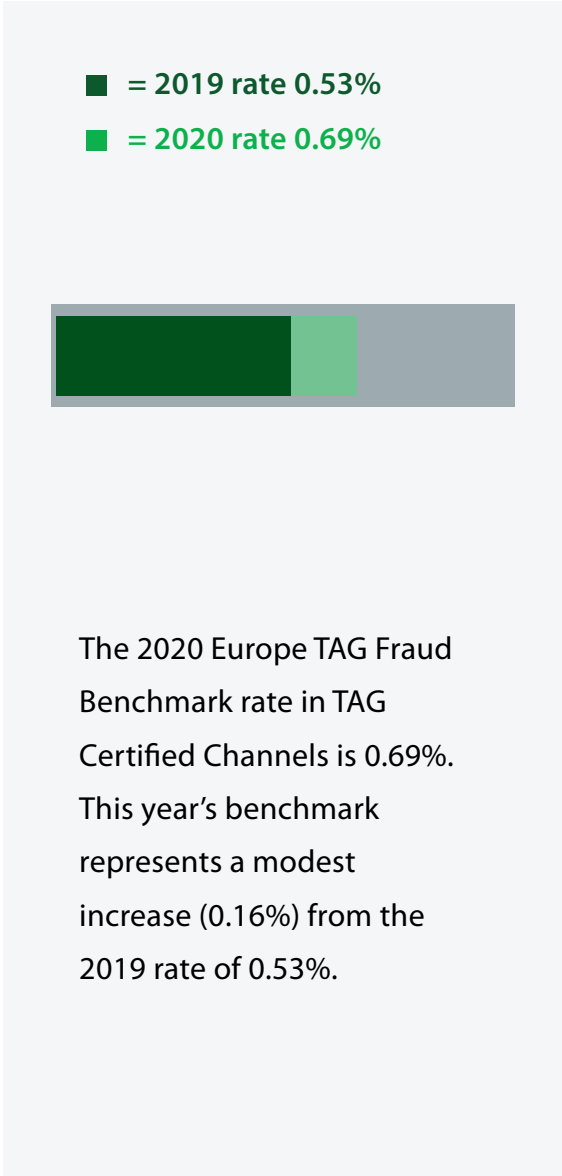
# Executive Summary



For the digital advertising industry to prosper, brand advertisers must be able to trust that their ads are appearing in brand-safe environments -- and that their ad spend won't be wasted on fraudulent transactions. The Trustworthy Accountability Group (TAG) was founded in 2014 to foster such confidence and trust in digital advertising by facilitating players across the supply chain in working together to ensure quality and brand safety.

TAG's Certified Against Fraud Programme (i.e., TAG Certification) focuses on combating invalid traffic (IVT) across the digital advertising supply chain and provides companies with a means to publicly communicate their commitment to helping brands avoid IVT throughout the ad ecosystem.

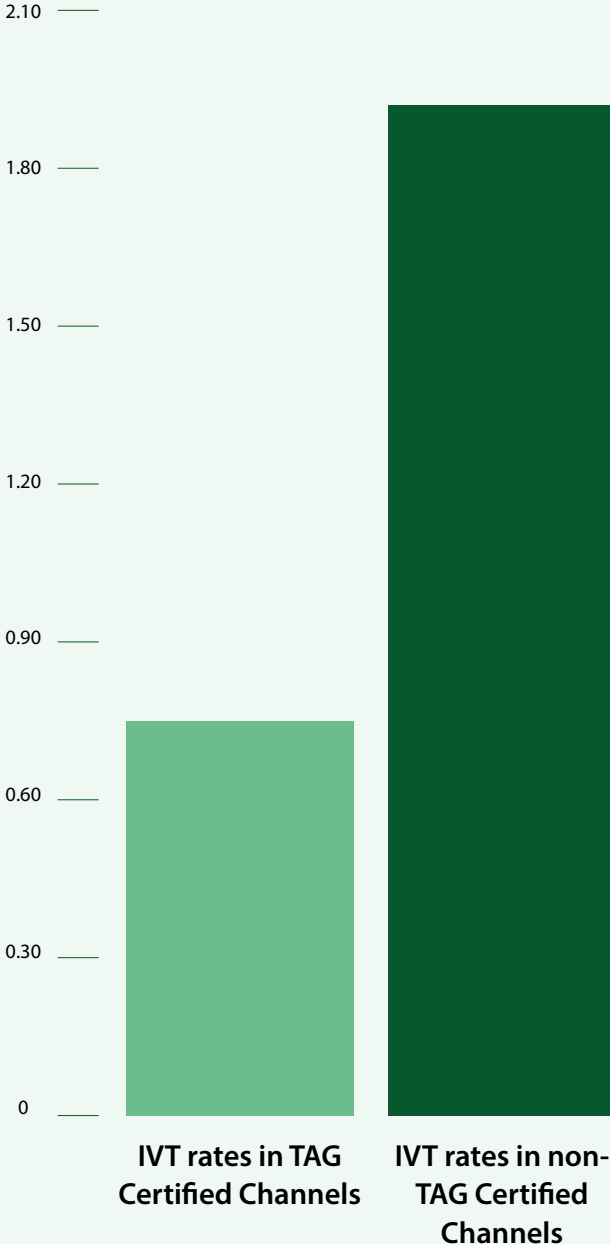
For the third year in a row, the 2020 TAG European Fraud Benchmark study shows that TAG Certification does just that:



This is even more remarkable given that 2020 was a year in which the digital ad industry dealt with the impact of a global pandemic, accompanied by a significant increase in criminal activity aimed at perpetrating ad fraud.

As consumer attention and ad spend shifted dramatically, media agencies were more likely to mandate TAG certification in Europe as a requirement for their inclusion lists in 2020. At the same time, the value of buying through fully TAG Certified Channels increased significantly. Specifically, IVT rates in TAG Certified Channels (0.69%) are nearly three times lower than in channels where only one party to the transaction had achieved the TAG Certified Against Fraud Seal (1.90%), a growing gap in IVT reduction compared to the two times lower rates last year.

**2020 IVT Rate Comparison**





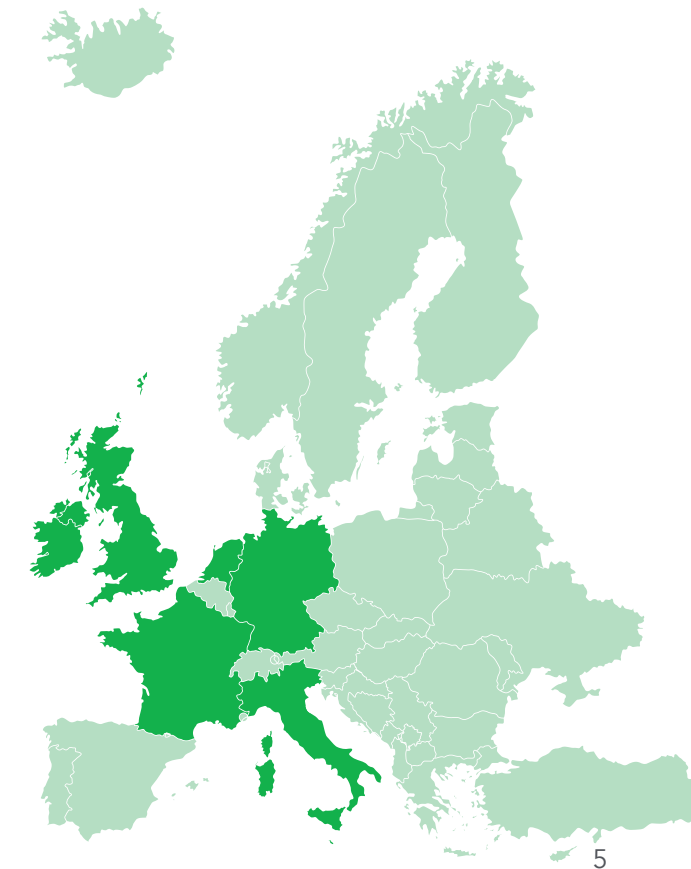
# Study Background and Objectives

The digital advertising industry has long acknowledged that the fight against fraud requires a concerted effort, with all market participants working together to ensure traffic quality and brand safety. TAG was founded in 2014 to foster such confidence and trust in digital advertising by facilitating players across the supply chain in working together to ensure quality and brand safety.

TAG's Certified Against Fraud Programme (i.e., TAG Certification) focuses on combating IVT across the digital advertising supply chain and provides companies with a means to publicly communicate their commitment to helping brands avoid IVT throughout the ad ecosystem.

Since 2017, TAG has collaborated with The 614 Group to monitor the industry's progress in reducing IVT by measuring the effectiveness of buying through TAG Certified Channels in markets around the globe.

Throughout 2020, The 614 Group conducted its third annual benchmark study to measure the quantitative impact TAG Certification has had in reducing fraud in actual campaigns across five key European markets. The study also used interviews to assess the response taken by agencies when they discover IVT in a campaign in the region.





# Research Methodology

This report uses the methodology established by The 614 Group in 2017 and used in all TAG Fraud Benchmark studies undertaken from that point forward.

From January 1, 2020 to December 31, 2020, The 614 Group analyzed data from leading agency holding companies -- along with their MRC-accredited measurement vendors -- to collect and aggregate all impressions for campaigns that were executed in five European countries: UK, Germany, France, Italy and The Netherlands. These impressions included display media and video ads in desktop, mobile web and in-app environments. The analysis did not use sampling of any kind, as 100% of the impressions to which we were given access by the agencies who shared data were analyzed.

Upon receipt, all data was aggregated within a secure database in order to create the proper reporting. In addition, The 614 Group conducted a series of industry expert interviews with executives at agencies and others on background for qualitative perspectives.

## Study Elements

<p><b>Inventory Type</b></p> <div style="display: flex; justify-content: space-around;"> <div style="text-align: center;"> <p>Display</p> <p>Mobile In-App Mobile Web Desktop</p> </div> <div style="text-align: center;"> <p>Video</p> <p>Mobile In-App Mobile Web Desktop CTV/OTT</p> </div> </div>		<p><b>Types of Fraud Examined</b></p> <p><b>SIVT</b> <b>GIVT</b></p>
<p><b>Volume of Certified Benchmark Impressions Studied</b></p> <p><b>117.5</b> billion</p>	<p><b>Time Period for Campaigns</b></p> <p><b>1</b> Jan. 2020 - <b>31</b> Dec. 2020</p>	<p><b>Data Examined</b></p> <p><b>100%</b> of Data Provided by Agencies:</p> <p> </p>

In conducting the study, The 614 Group used the categorization of the ad impressions by the agencies' measurement vendors, including DoubleVerify, Integral Ad Science (IAS) and Moat by Oracle Data Cloud (Moat). These three anti-fraud measurement vendors are all TAG Certified Against Fraud and hold accreditations from The Media Rating Council (MRC) that include IVT measurement for both SIVT and GIVT.

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 Invalid Traffic (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 separates IVT into two categories<sup>1</sup>:

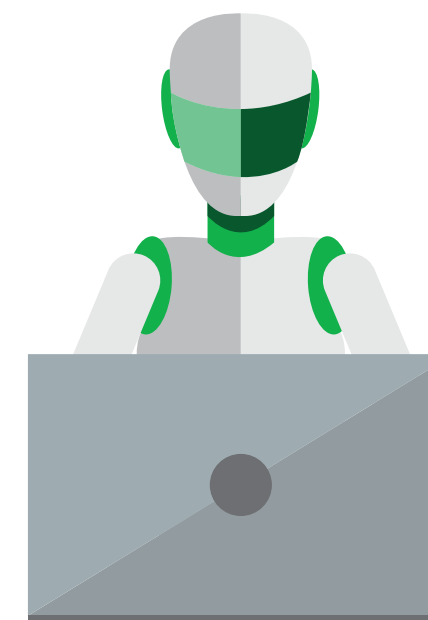
**General Invalid Traffic (GIVT):** Includes traffic identified through routine and list-based means of filtration -- such as bots, spiders, other crawlers; non-browser user agent headers; and pre-fetch or browser pre-rendered traffic.

**Sophisticated Invalid Traffic (SIVT):** Includes traffic identified through advanced analytics, multipoint corroboration, human intervention -- such as hijacked devices, ad tags, or creative; adware; malware; misappropriated content.

In calculating fraud rates, the study combined both SIVT and GIVT in order to achieve a comprehensive result.

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<sup>1</sup> [http://www.mediaratingcouncil.org/102715\\_IVT%20Addendum%20PressRelease.pdf](http://www.mediaratingcouncil.org/102715_IVT%20Addendum%20PressRelease.pdf)



The quantitative analyses examine both TAG Certified Channel transactions and transactions where each impression does not pass exclusively through TAG Certified Channels. To understand the two types of transactions analyzed herein, it is important to understand the definitions of a TAG Certified Channel and a Non-Certified Channel:



#### **TAG Certified Channel (TCC)**

Transactions that flow through channels in which multiple 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**

Transactions that flow through channels in which one entity involved in the transaction has achieved the TAG Certified Against Fraud Seal, but not enough entities for the channel to qualify as TCC. For example, in a Non-Certified Channel, the media agency would 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 Seal.





# Quantitative Results


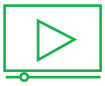


TAG Certified Channels in the European markets studied have an overall IVT rate of just 0.69%.

Analyses of quarterly IVT rates show some minimal upticks in individual quarters. Quarterly ebbs and flows are indicative of the power of monitoring and the efficacy of fraud mitigation and reduction by companies holding the TAG Certified Against Fraud Seal.

Media Type		Total Impressions	SIVT%	GIVT%	Total IVT%
<b>Display</b> 	Desktop	26,962,087,267	0.95%	0.23%	1.17%
	Mobile In-App	16,106,964,665	0.37%	0.05%	0.42%
	Mobile Web	36,086,716,630	0.39%	0.42%	0.80%
	<b>Display Total</b>	<b>79,155,768,562</b>	<b>0.57%</b>	<b>0.28%</b>	<b>0.85%</b>
<b>Video</b> 	Desktop	4,375,411,438	0.70%	0.35%	1.05%
	Mobile In-App	27,743,089,022	0.15%	0.07%	0.22%
	Mobile Web	5,969,495,560	0.30%	0.17%	0.48%
	<b>Video Total</b>	<b>38,087,996,020</b>	<b>0.24%</b>	<b>0.12%</b>	<b>0.35%</b>
	CTV/OTT	223,164,966	0.33%	0.39%	0.72%
<b>Total All</b>		<b>117,466,929,548</b>	<b>0.46%</b>	<b>0.23%</b>	<b>0.69%</b>

**2020 IVT Rates for Media Types in TAG Certified Channels by Quarter**

		2020 Q1	2020 Q2	2020 Q3	2020 Q4
<b>Display</b> 	Desktop	1.16%	0.98%	1.22%	<b>1.32%</b>
	Mobile In-App	0.35%	0.37%	0.44%	<b>0.56%</b>
	Mobile Web	<b>1.32%</b>	0.40%	0.68%	0.76%
<b>Video</b> 	Desktop	0.81%	1.120%	<b>1.39%</b>	1.06%
	Mobile In-App	0.20%	0.21%	0.21%	<b>0.31%</b>
	Mobile Web	<b>0.69%</b>	0.58%	0.35%	0.24%
	CTV/OTT	0.55%	<b>1.58%</b>	0.68%	0.62%

**Three Year Comparison  
(Full Year Intervals)**

For the third year in a row, brands who buy through TAG Certified Channels in key European markets saw fraud rates of less than 1%.

	<b>2018</b>	<b>2019</b>	<b>2020</b>
<b>Region</b>	UK Germany France Italy The Netherlands	UK Germany France Italy The Netherlands	UK Germany France Italy The Netherlands
<b>Types of Fraud Measured</b>	SIVT GIVT	SIVT GIVT	SIVT GIVT
<b>Volume of Certified Benchmark</b>	4 billion	43 billion	117.4 billion
<b>Inventory Types Examined</b>	Desktop Display Video Desktop Mobile Web	Display (Desktop, Mobile Web, Mobile In-app) Video (Desktop, Mobile Web, Mobile In-App)	Display (Desktop, Mobile Web, Mobile In-app) Video (Desktop, Mobile Web, Mobile In-App) OTT/CTV
<b>Number of Participating Agencies</b>	3	3	3
<b>Overall Fraud Rates</b>	<b>0.53%</b>	<b>0.53%</b>	<b>0.69%</b>

The qualitative portion of the research consisted of extensive interviews with senior executives at three agency holding companies as well as other experts in measurement, advertising and technology to gain insights around the state of IVT identification, mitigation, and reduction. The purpose of the qualitative portion of the research is to supplement the impression-level data with a deeper understanding of requirements, accountability, and best practices in current use. The discussion guides were based on analyses of the last four quarters of impressions data provided by the holding companies, as well broader market trends.



**Stevan Randjelovic**

Director, Brand Safety and Digital Risk, EMEA

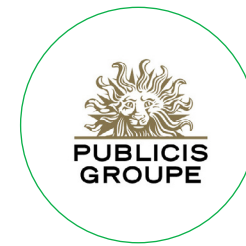
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Special thanks to Scott Cunningham of [Cunnigham.tech](https://www.cunnigham.tech) for supporting the data and analytics efforts in creating this report.

# Qualitative Analysis





# Key Insights from Industry Experts

Increases in IVT seen in mobile channels are likely attributable to shifting consumer behavior and skyrocketing criminal activity in the midst of a global pandemic.

As consumers across the globe went into lockdown, mobile usage increased rapidly.<sup>2</sup> European advertisers responded by quickly shifting their budgets to mobile inventory (web and in-app) in order to reach people where they were.<sup>3</sup>

Interviewees reported that fraudsters appeared to simply “follow the money,” concentrating their criminal efforts in mobile channels.

<sup>2</sup> <https://www.marketingcharts.com/charts/average-daily-hours-spent-on-android-phones-in-q2-2020/attachment/appannie-android-phone-use-in-q2-sept2020>

<sup>3</sup> <https://www.marketingcharts.com/charts/average-daily-hours-spent-on-android-phones-in-q2-2020/attachment/appannie-android-phone-use-in-q2-sept2020>

While we heard from multiple executives that lockdowns forced security teams to adjust to a new normal, which may have hindered their ability to identify and fight attacks early in the pandemic, the more robust systems and processes they've put in place as a result have likely aided the decline in IVT seen later in certain cases in 2020.

### **Benchmarks Are Critical for Frank Discussions about IVT**

The regional TAG Fraud Benchmarks are vital tools used by media agencies and their clients to discuss how much IVT should be considered "acceptable," as well as what steps an agency can and should take to reduce IVT within a client campaign. While European advertisers once demanded zero fraud in their campaigns, agencies now note that clients have shifted their expectations to recognize that some IVT is inevitable, but that buying through TAG Certified Channels should keep brands from experiencing more than 1% IVT in their campaigns.

Benchmarks also serve as a starting point for media agencies to gauge the efficacy of their own best practices. Traffic teams ask: how much did our incremental efforts beyond TAG Certified Against Fraud

requirements reduce IVT? While the vast differences in IVT rates across the world mean a global benchmark isn't particularly actionable, regional benchmarks, such as the TAG European Fraud Benchmark enable the market to drive true change.

### **Increasingly Publishers Who Wish to Work with Agencies Must be TAG Certified**

The value of buying through fully TAG Certified Channels increased significantly in 2020, with IVT rates in TAG Certified Channels falling from two times to nearly three times lower than in non-certified channels. At the same time, media agency executives report that not all publishers are willing to seek TAG Certification. As a result, agencies were more likely to mandate TAG certification in Europe as a requirement to be included on their lists of acceptable publishers.



# Conclusion

In a year when the digital ad industry dealt with the impact of a global pandemic -- accompanied by a significant increase in criminal activity aimed at perpetrating ad fraud -- TAG Certified Channels continued to provide European brands with a path to keep IVT rates in their campaigns well below 1%.

At the same time, the value of buying through fully TAG Certified Channels continued to increase significantly, with IVT rates nearly three times lower than in channels where only one party had achieved the TAG Certified Against Fraud Seal.

With all of that in mind, it seems unsurprising that more and more media agencies are choosing to mandate TAG Certification in Europe as a requirement to be included on their lists of acceptable publisher partners. Further, regional TAG European Fraud Benchmarks are

proving to be vital tools in discussions between media agencies and their clients about how much IVT is "acceptable," as well as what steps an agency can and should take to reduce IVT within a client campaign.

While the global pandemic is less and less at the forefront of marketers' minds, it is imperative that the industry continues to work together to tackle new challenges as they arise, so that brands and their partners can stay ahead of quickly evolving ad fraud attacks and continue to enjoy the trust, quality and brand safety that has been achieved thus far.





The 614 Group helps digitally-focused companies and executives accelerate growth. Founded in 2012 as a consultancy servicing the digital media ecosystem, the firm now informs and services our global community and the industry at large through advisory services, B2B market research and event experiences.

## About The 614 Group





[tagtoday.net](http://tagtoday.net)



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