

TAKE 5:

WHAT IS AD FRAUD?

 **Apsalar**

Definition

Ad fraud is the practice of deliberately attempting to drive ad impressions that have no potential of being seen by a real person. Ad Fraud is a crime – it is deliberate, premeditated, and designed to rob advertisers of value for their advertising spend.

Ad Fraud v. Bot Impressions

Much ad fraud is driven by bots – software designed to automate repetitive tasks online. Google, for example, uses bots to examine millions of pages and apps every day to understand what content they offer. They use this information so they can deliver the best possible results with their search engines. Google bots are obviously not malicious. They are not designed to defraud advertisers, though it is possible that a Google bot can trigger an ad impression while doing its job.

Bot-driven ad fraud is different. These bots are deliberately developed to load ad views so that the criminal entity earns advertising dollars. So, impressions delivered to bots are not necessarily ad fraud. It is the malicious intent that makes some of them fraudulent.

How Ad Fraud is Perpetrated

There are a multitude of ad fraud tactics, which include:

- 1 Bots that secretly take over consumer PCs and spawn page views unseen by the user.
- 2 Networks of hijacked computers (“botnets”) that fake consumer traffic.
- 3 Virtual machines that mimic consumer-used PCs and rapidly spawn thousands of page views.
- 4 Videos that automatically play but which are extremely small or even invisible on the page.
- 5 Software that emulates multiple clicks occurring every time a consumer makes a real click.

These are just a few of the methods used. Ad fraud, and the fight against it, is a continuing arms race, with each protection breakthrough spawning a new approach to fraud.

How Prevalent is the Problem

All researchers who have studied ad fraud identify it as a significant amount of total web traffic. The Association of National Advertisers (ANA) and online fraud detection firm, White Ops, conducted one of the largest industry studies, in which they found that 11% of display and 23% of video impressions were caused by bots and botnets.

Another leading industry association, the Internet Advertising Bureau (IAB), stated that almost 36% of web traffic was fake.

Preventing Ad Fraud

The best defense against ad fraud is information. On the PC web, media companies are using strategies to identify bots by, for example, treating thousands of impressions in a short period from a PC or group of PCs as suspect. Non human activity often looks different when analysts are watching for it.

In the app world, where Apsalar has been a leader for years, we help clients identify and combat ad fraud through a variety of methods. One of the most important is by helping clients identify vendors that drive installs that don't later lead to app loads and in app purchases. Now, not every app legitimately downloaded is later used, but vendors with a high incidence of fraudulent activity drive much higher proportions of nonproductive downloads. So much app media is purchased on a cost per install basis, this is an important insight.

When clients collect data with a company like Apsalar, they are empowered to see which vendors and users are real people and which are likely fraudulent. When brands don't have data or partners to help defend their investments against fraud, the risk is significantly higher. Apsalar is constantly developing new ways to detect and prevent fraud. For more information on our approaches and the larger issue of fraud, get in touch with us.

ABOUT TAKE 5

The Take 5 series is designed to help senior marketers learn more about data-driven customer marketing by creating short educational pieces that can be read and absorbed in less than five minutes. The main content of each Take 5 is 600 words or less to stay focused and brief. The Take 5 series will also be available as a collection – a primer on data driven customer marketing.

Visit
www.Apsalar.com/Resources
for more Take 5 content!

ABOUT APSALAR

Apsalar, the leader in mobile data management, helps direct marketing brands get better marketing effectiveness by providing a mobile data management platform that delivers a true understanding of customer behavior in apps and across other marketing channels.

Apsalar
MOBILE DMP

- APSALAR ATTRIBUTION**
Collect and measure in-app consumer behavior and marketing performance. Measure every in-app action relevant to your business
- APSALAR AUDIENCES**
Unite your first party data from all sources, enrich it with third party data, and build high performance marketing audiences
- APSALAR DATASYNC**
Easily and safely share customer audiences and data with your digital marketing platforms, including analytics, marketing automation, media companies and legacy DMPs

The Apsalar Mobile DMP enables brands to measure marketing effectiveness, enhance, manage, enrich and segment profiles to build audiences, and easily and safely connect to other marketing partners so brands can confidently share their data and audiences.