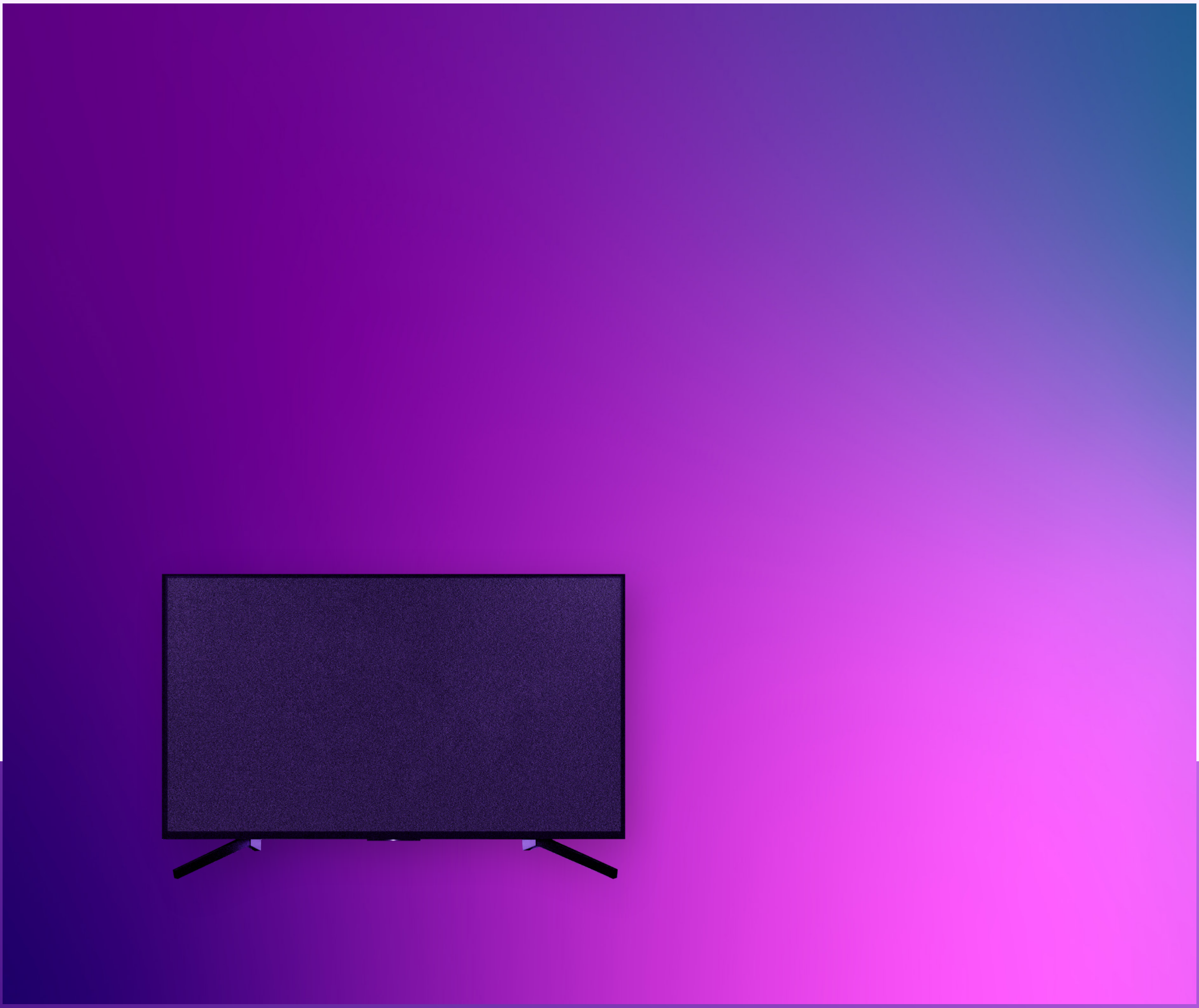
Fraud on Connected TV: Buyers’ Perceptions and Plans

A Research Report by TripleLift and HUMAN



By Adam Sell, Senior Editor, Human Insights

triplelift

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5 Executive Summary

8 Methodology

9 Demographics

10 Definitions

13 What Buyers Think
- Fraud vs. IVT
- Perceived Rates of Fraud
- PMPs and Walled Gardens

21 What Buyers See
- Importance of Fraud Protection
- Concerns About Fraud
- Specific Fraud Concerns

29 What Buyers Do
- Organized Cybercrime
- Remediation Responsibilities
- Working Group Effectiveness

35 Conclusions

Fire up your TV for a moment and take a look at how many streaming services you subscribe to.

If you're anything like us, you may need more than one hand's worth of fingers to count them all. Netflix, Prime Video, Hulu, Disney+, Peacock...the list goes on. It feels like every time you check the news in the morning, there's another streaming service debut around the corner, each of which promises binge-worthy content that's going to compel you to dig just a little bit deeper into your wallet to find the cash to watch the new water cooler show.

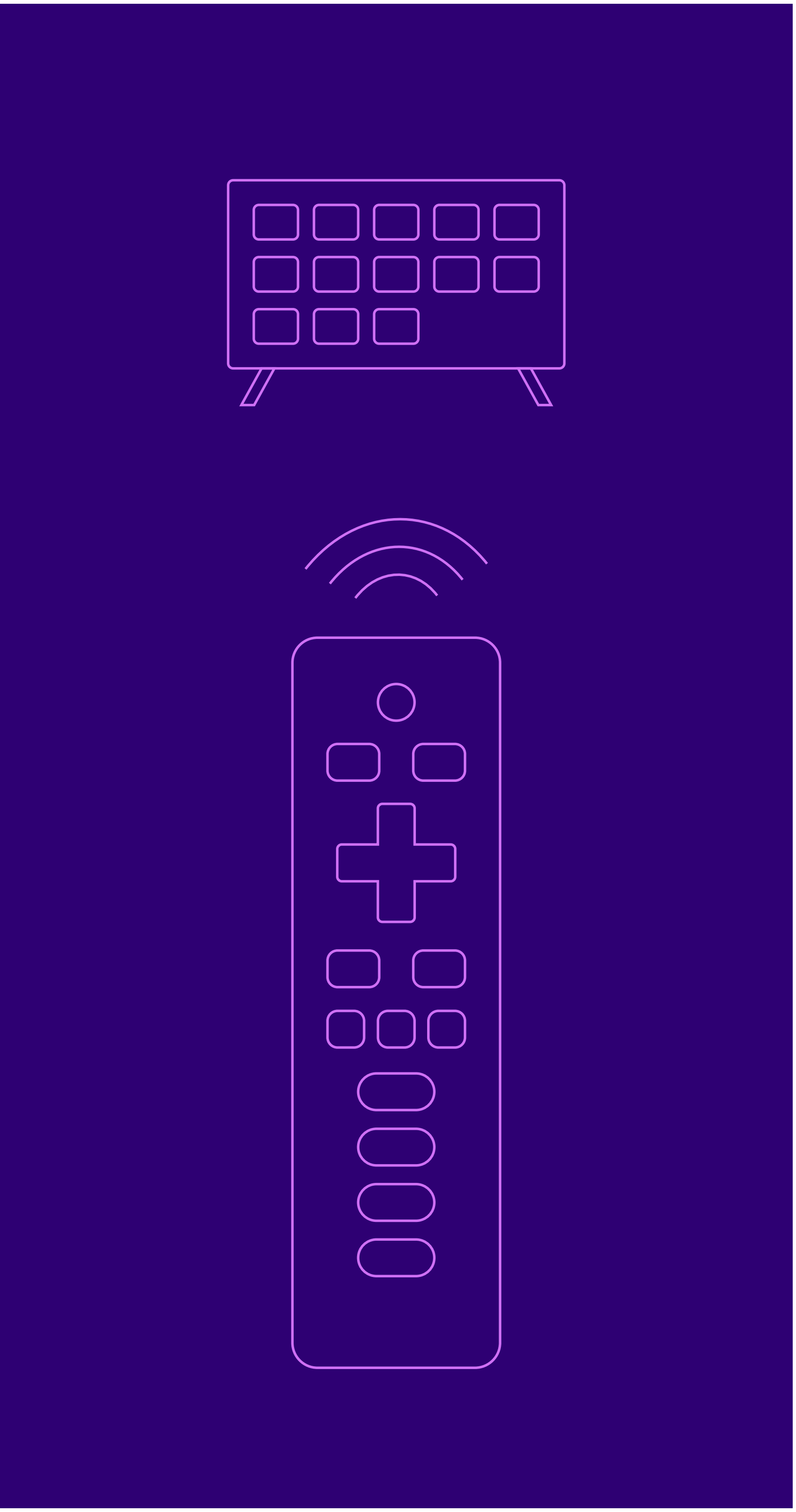
(Side note: do we still call it a water cooler topic if everybody's working remotely? Is there a work-from-home version of the water cooler? Should we call it the Slack channel show?)

The rise of streaming has been dramatic. Netflix's launch of an on-demand platform was a massive paradigm shift for the industry, and naturally, every other major player got in on the action just as soon as they could figure out how. And the rise isn't done yet — research from Insider Intelligence suggests the percentage of Americans who have "cut the cord"[1] will reach 41% by the end of 2026. Insider Intelligence projects that nearly 20% of households will *never* have had cable TV by 2026.

And while early entrants into the streaming wars were strictly on the subscription model, later arrivals debuted with advertising-supported tiers and user experiences designed to accommodate several different varieties of digital advertising. The success of these later services has, in turn, prompted the subscription-only services to revisit whether an advertising-supported model might increase revenues in an age in which MAUs[2] and user attrition are mainstream news for the industry.

[1] "Cut the cord" - disconnect traditional linear cable services in favor of an internet-based model for television

[2] "MAUs" - monthly average users, a key metric for subscription services

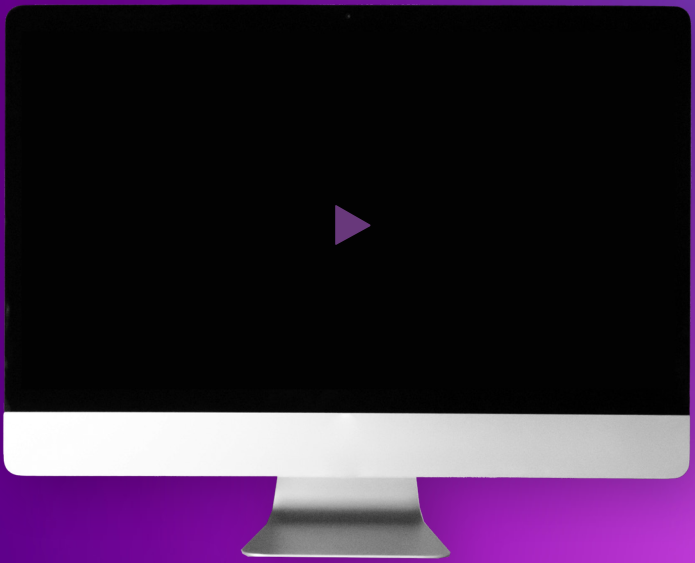


“The dam holding back ad spend from moving into CTV has broken. As more viewes rush to AVOD (ad-supported video on demand) and FAST (free ad-supported television), advertisers are rapidly moving to follow the eyeballs. Insider Intelligence anticipates spending on CTV advertising in the US to more than double between now and the end of 2026, **climbing to nearly $39 billion.**

One truism about increased spending is that fraud often follows. New marketplaces and new technologies can grow faster than protections can keep up, leaving a window in which fraudsters try to carve out a piece of the pie for themselves. HUMAN’s Satori Threat Intelligence and Research Team has uncovered several complex fraud operations targeting corners of the CTV ecosystem, including ICEBUCKET (which targeted server-side ad insertion) and PARETO (which spoofed thousands of apps on millions of non-CTV devices).

HUMAN partnered with TripleLift, one of the fastest-growing ad tech companies in the world with a mission to make advertising better for everyone from desktop to television, to understand how buyers of digital advertising with an interest in and focus on CTV perceived that challenge of fraud in the marketplace. We teamed up with The Drum to survey 250 CTV-focused digital advertising buyers to ask what they think about fraud in CTV, what they see in their day-to-day work, and what they’re doing to protect their investment.

What we found is that different buying teams have significantly different perceptions—and, interestingly, varying levels of concern—about fraud in CTV. In this report, we’ll explore those perceptions and concerns and examine the realities underlying the findings from the survey.



1 Executive Summary

TripleLift and HUMAN partnered with The Drum to field a survey of self-identified CTV advertising buyers to ask their impressions of the prevalence and causes of, and solutions to fraud in advertising on CTV platforms.

The survey found that buyers were largely unclear on the distinctions between invalid traffic (IVT) and ad fraud. These terms may sound interchangeable, but they're distinct and need to be better understood by buyers and ecosystem partners alike. To wit, ad fraud is fraudulently representing online advertising impressions, clicks, conversion, or data events in order to generate revenue. In contrast, IVT is a measurement of advertising impressions generated by bots or any form of ad traffic that's suspicious, automated, or unwanted.

On the whole, buyers believe there's fraud on every type of advertising on CTV, including SSAI, pause ads, home screen ads, wrapper ads, and resold inventory. The levels of confidence in each advertising vehicle vary from one buying team to the next and from one agency type to the next, but SSAI[3] was considered suspect by the highest proportion of buyers across the board.

Buyers also largely agreed that PMPs and walled gardens were among the most effective ways to prevent fraud in CTV advertising. However, they also agreed that these limited-access marketplaces aren't inherently fraud-free. Buyers didn't find this incongruous, possibly because the vast majority of buyers also expressed confidence in their partners' anti-fraud solutions.

When it came to choosing a partner for advertising on CTV, buyers were all over the map on the importance of fraud prevention tools and tactics. Some buyers, particularly those on the Digital buying team or at Digital agencies, found fraud prevention to be an absolutely critical element. Others rated fraud prevention as one of the least important factors in choosing a partner.

Similarly, buyers' levels of concern about fraud on CTV ran the gamut. All buyers acknowledged fraud's existence, and all buyers copped to some amount of worry, but the intensity of that concern varied from one team to the next. Again, the Digital teams and agencies were particularly concerned, while Innovation teams were far less bothered.

One area of unanimity among buyers was in what potential outcome of fraud was the most alarming. Given the choice among personal data breach, incorrect reporting and measurement, delivering impressions against unauthorized inventory, spoofed/misrepresented inventory, lost budgets, and bot traffic, buyers of all stripes overwhelmingly identified data breaches as their biggest fear. It raises the question of balancing data minimization—asking less of users and collecting less in return—and gathering as much information as possible for precision and attribution in targeting.

[3] SSAI - server-side ad insertion, the practice of video advertising by stitching ads directly into a video file for delivery

Finally, buyers found the idea of an industry-wide resource-sharing working group to fight against fraud compelling.

→ Across the board, respondents said the idea of such a group would be at least somewhat effective in combating fraud. Gratefully, the Human Collective exists already — several organizations from throughout the digital advertising ecosystem (including HUMAN and TripleLift) have come together to share insights and resources on their observations of fraud. The Human Collective's work is already paying dividends, as evidenced by the collective takedowns of major fraud operations like PARETO.

In short, buyers overwhelmingly believe there is fraud on CTV platforms, and they're concerned about the impacts of that fraud to their campaigns. They don't, however, have a uniform opinion or strategy on how best to combat that fraud. Buyers are inclined to protect their investment, and don't often feel the need to stay deeply in touch with news about fraud on CTV. (And we get it — it might be kind of defeatist to stare at headlines all day if you don't have to.)

The key takeaways from the research include:

- **Buyers acknowledge fraud on CTV platforms exists, but they also acknowledge their preferred tactic for preventing fraud—purchasing through PMPs or walled gardens—is insufficient to truly combat the challenge. Several walled garden operators, indeed, have complained about attribution challenges following data supply changes made by tech giants.**
- **The scariest potential impact of fraud for buyers of all teams and agencies was data breach.**
- **Buyers agreed that the best way to reduce the impact of fraud on CTV platforms was through ecosystem wide working groups chartered with information sharing, resources and education to achieve collective protection.**

2.

Methodology

TripleLift and HUMAN partnered with The Drum to field this survey to 243 self-identified CTV advertising buyers. Each of these buyers, who also participated in a separate CTV-centric survey conducted by TripleLift and The Drum, identified fraud as a moderate to significant influence in their choice of CTV partners with whom to work.

The results of the survey were then analyzed by TripleLift and HUMAN and developed into this report.

Throughout this report, we'll occasionally reference cross-tabulations (or crosstabs). These are, essentially, analyses of answers among respondents who answered a given question a particular way. (For example, we might offer an analysis focused on respondents who identified themselves as working for a full-service agency.) In these instances, we'll identify what subset of respondents we're referencing in the analysis.

Who's watching?

3.

Demographics

The **243 respondents** to the survey all bought or planned CTV ad inventory in the preceding 12 months. Respondents came from a variety of different organization "types", including brands, agencies focused on content, media and/or digital agencies, and full-service ad agencies.

Respondents were also asked to select which of four buying teams they most closely identified with: digital investment teams, innovation teams, programmatic teams, and video/traditional investment teams.

Revenue figures for respondent companies ran the gamut, from 18 respondents with less than $1 million in company revenue to 15 respondents with more than $1 billion in company revenue.

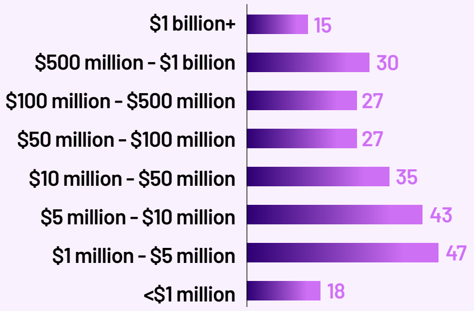
And finally, respondents identified as having strategic responsibilities at about a 3:2 rate to those identifying as having tactical responsibilities. HUMAN and TripleLift believe this to be a reasonable cross-section of the digital advertising buyer audience in the United States in 2023.

Company

32	Brand Agency
36	Content Agency
56	Digital Agency
52	Full-service Ad Agency
28	Media Agency
38	Other Agency

promotion agency, video agency, search marketing agency, in-house agency

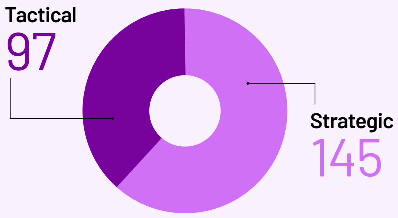
Revenue

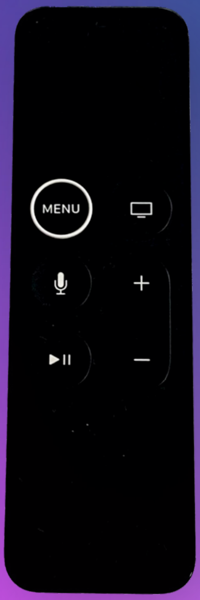


Team

85	Digital Investment
45	Innovation Investment
58	Programmatic Investment
54	Video/Traditional Investment

Strategic/ Tactical





4 Definitions

Throughout this report, there will be several industry terms and phrases for which many people—experts included—may have varying definitions. As a result, and in the interest of clarity, we're offering a single standardized definition for each of the terms below to level-set what we mean by them. Some of the definitions derive from industry sources (like the ANA, IAB, MRC and other industry bodies), while some are definitions we ourselves have developed.

1 **Digital Investment Teams**
These buying teams conduct the planning and buying of digital media, including desktop/mobile properties and CTV units.

2 **Video/Traditional Investment Teams**
These buying teams plan and buy linear television advertising, but are beginning to expand into the CTV space as an extension of their linear investments.

3 **Programmatic Teams**
These buying teams are the tactical teams that interface directly with demand-side platforms (DSPs) and supply-side platforms (SSPs). These teams may be in-house at a brand or part of an agency.

4 **Innovation Teams**
These buying teams are focused on cutting-edge technological advances in the advertising space.

5 **Ad fraud**
Fraudulently representing online advertising impressions, clicks, conversions, or data events in order to impact ad spend.

6 **Invalid traffic (IVT)**
Advertising impressions generated by bots or any form of unwanted traffic.

7

Server-side Ad Insertion (SSAI)

The use of an intermediary server to insert ads dynamically into video streams on the server side, or directly embedding ads into video content prior to content delivery. This type of integration is mostly a solution to enhance user experience, as both the video content and video ads are stitched together into a single stream.[5] In layman's terms, SSAI combines content and ads into a single video file for simplicity in streaming.

8

Home Screen Banner Ads

Advertising inventory that appears on the home screen of a CTV's user experience. These slots often resemble banner ads one might see on a website.

9

Video Wrapper Ads

Advertising inventory that appears as a frame around a video module, and is not powered by SSAI.

10

Resold Inventory

Advertising inventory that transacts through multiple intermediaries between the publisher and the brand, particularly those placements that move through syndication and outsourced yield management platforms.

11

Pause Ads

Advertising inventory that displays only when a video module is paused.

12

Private Marketplaces (PMPs)

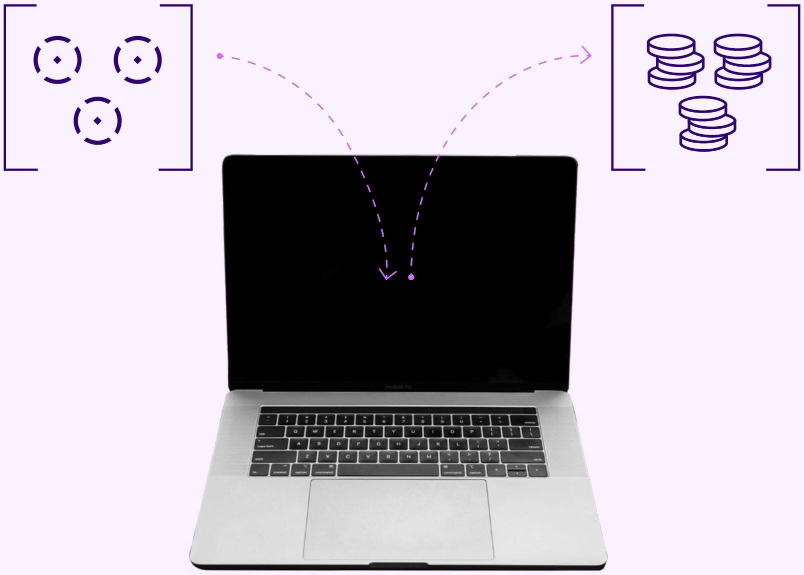
An invitation-only (or private auction) and/or an unreserved fixed-rate deal (also known as a preferred deal/first look).[6]

13

Walled Garden

A platform where the carrier or service provider has control over applications, content, and media, and restricts convenient access to non-approved applications or content.[7]

[5] Definition courtesy of MRC: http://mediaratingcouncil.org/083021%20SSAI%20and%20OTT%20Guidance%20%20FINAL.pdf
[6] Definition courtesy of IAB: https://www.iab.com/wp-content/uploads/2015/10/PMP_Checklist_Final.pdf
[7] Definition courtesy of ANA: https://www.ana.net/getfile/24784



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What Buyers Think

5.

What Buyers Think

→ At the highest possible level, the key finding from this survey is that there's a disconnect between what CTV advertising buyers believe about fraud in the ecosystem, what they're seeing in their own data and patterns, and what they're doing about the perceived issue.

For example, we found that when given the definitions of **ad fraud** and **invalid traffic** in the above Definitions section and asked to identify which was which, **only 30 of the 243 respondents accurately identified both terms**. That's **only 12%** of a group of advertising buyers who presumably use these terms on a very regular basis. It speaks to the need for continued education on what distinguishes ad fraud from invalid traffic (broadly: intent and evasion), and how a misconception as fundamental as this can have cascading effects buying habits and risk perceptions.

In this section of the Fraud on Connected TV: Buyers' Perceptions and Plans report, we'll explore those perceptions: what do CTV advertising buyers think are the most fraud-laden forms of CTV advertising, what are the most effective tactics for preventing fraud in CTV? And do buyers believe that PMPs and walled gardens have different fraud challenges than open and programmatic marketplaces?

Unexpected and unexplainable spikes in web traffic are a common characteristic of fraud: a wave of bots may arrive on the site as the result of a campaign partner's tactics, or advertising efforts may have become the unintended victim of a fraudster's campaign. One in five marketers surveyed noted that they'd experienced traffic spikes like these.

Fraud vs. IVT

Above, we shared one of the key findings from this report: only about one in every eight advertising buyers was able to correctly distinguish between ad fraud and invalid traffic when given the definitions.

(It's worth noting that **83 respondents**—roughly one in four of the surveyed population—correctly identified *invalid traffic*, while **80 respondents** correctly identified *ad fraud*. The disconnect, it seems, is recognizing that the provided definitions described different phenomena and accurately distinguishing between the two.)

Rather than spell doom and gloom over the majority of respondents who failed to separate the two definitions, let's view this moment instead as an opportunity to remind buyers that not all invalid impressions are fraud. There's a reason the term **General Invalid Traffic** (GIVT) exists: there's a non-negligible amount of traffic that isn't human or cannot convert, but is benign in its impact to an advertiser or demand-side partner. For example, search engine indexing is invalid traffic, but isn't harmful.

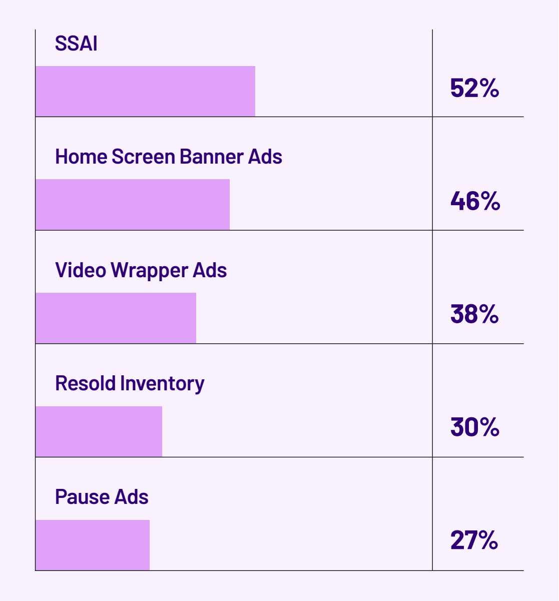
Having the right language and definitions at your fingertips makes it significantly easier to find the right tools to manage or mitigate each. If GIVT is high but fraud is low, that's consistent with expectations. If the inverse is true, it may be time to find another partner.

Perceived Rates of Fraud

It's easy to simply lump the entirety of advertising on CTV platforms into a single bucket; many industry reports already "simplify" several different forms and aspects of fraud on CTV into one category. But not all CTV advertising is created equal, and the way each type of advertising is perceived from a fraud perspective may inform or explain which advertising channels are most attractive to buyers.

Respondents were asked which of five different forms of CTV advertising (SSAI, Home Screen CTV banner ads, video wrapper ads, resold inventory, and pause ads) they believed to have the highest rate of fraud. The results show a continued distrust in ad stitching technologies, with other forms of advertising viewed with suspicion.

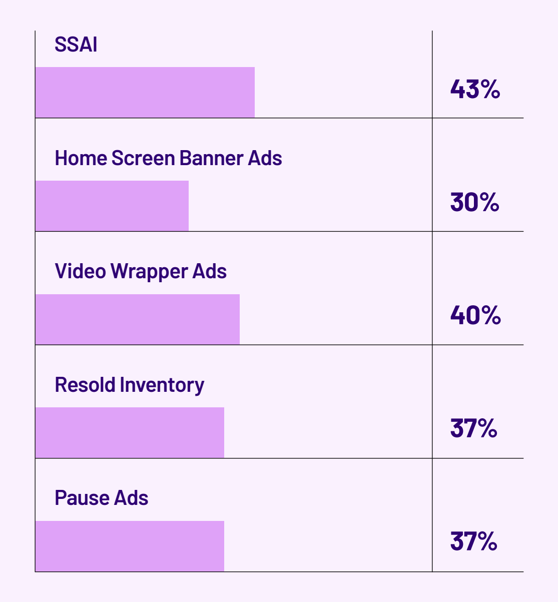
Q: ***Which of the following forms of CTV advertising do you believe has the highest rate of fraud?*** *(overall results, multiple selections permitted)*



Every form of CTV advertising was perceived as fraudulent by at least a quarter of CTV advertising buyers. It's an alarming sentence, and it speaks to the speed with which the CTV ecosystem and its ancillary advertising capabilities cropped up.

Among those respondents who answered the fraud/IVT definition questions correctly, however, perceptions shifted a bit. While all of the forms of advertising were still viewed with suspicion, Home Screen banner ads—ranked second most fraudulent among the full respondent group—were considered more trustworthy than any other form of CTV advertising.

Q: ***Which of the following forms of CTV advertising do you believe has the highest rate of fraud?*** *(respondents who correctly identified both IVT and ad fraud, multiple selections permitted)*



> *We also broke out the perceptions of fraud in various CTV advertising types by the types of businesses we surveyed, and found that different agencies had very different thoughts on how likely their campaigns on these platforms would be fraudulent.*

SSAI still ranked as the advertising vehicle of greatest concern across all buying groups, which is a valid fear: SSAI is still a signal-poor mechanism for advertising, at least compared to other forms of digital advertising. As many as two out of every three buyers who belong to Media Agencies named SSAI as a fraud-laden advertising mechanism. And lest you think the Media Agency respondents were particularly paranoid, that **cohort also recorded the lowest concern rate—a mere 7%—for Resold Inventory.**

One of the cohorts for this analysis was the catchall "Other" business group, which included promotion agencies, video agencies, search marketing agencies, in-house agencies, and respondents whose workplaces could not be easily categorized. This loosely-defined group seemed particularly confident in their advertising decisions: **no buying mechanism registered as fraudulent for more than 35% of the cohort**.

The buying teams, too, expressed different perceptions of which advertising mechanisms were rife with fraud. While Video/Traditional buying teams expressed the greatest skepticism of SSAI and Home Screen banner ads, they conversely were most trusting of both video module wrapper ads and resold inventory.

Overall, the Innovation teams—often uniquely focused on the bleeding edge of advertising technology and what's possible—were the most trusting of advertising on CTV platforms. Granted, they still expressed a not-insignificant distrust of **SSAI (43% identified the technology as fraud-laden)** and of **resold inventory (36%)**.

Programmatic buying teams tended to be the most skeptical, with more than half—a high among buying groups by a large margin—expressing concern about video module wrapper ads, many of which use a version of the VAST[8] standard that's more than 14 years out of date.

Q: *Which of the following forms of CTV advertising do you believe has the highest rate of fraud?*
(grouped by agency type, multiple selections permitted)

	SSAI Ads	Home Screen Ads	Wrapper Ads	Pause Ads	Resold Inventory
Brand Agencies	63%	44%	47%	22%	25%
Content Agencies	44%	42%	53%	25%	25%
Digital Agencies	51%	58%	28%	28%	39%
Full-Service Agencies	57%	50%	44%	35%	40%
Media Agencies	66%	41%	28%	34%	7%
Other *(promotion agency, video agency, search marketing agency, in-house agency)*	35%	33%	30%	15%	28%

Q: *Which of the following forms of CTV advertising do you believe has the highest rate of fraud?*
(grouped by buying team, multiple selections permitted)

	SSAI Ads	Home Screen Ads	Wrapper Ads	Pause Ads	Resold Inventory
Digital Investment Teams	52%	49%	46%	32%	38%
Innovation Teams	43%	32%	36%	23%	36%
Programmatic Teams	54%	44%	51%	24%	25%
Video/Traditional Teams	57%	55%	29%	27%	18%

[8] Video Ad Serving Template - an IAB standard for ad tagging in video modules

Fraud Prevention

→ Buyers' perceptions of which vehicle for advertising on CTV was most fraud-laden varied widely, as did their thoughts on the best possible way to prevent that very fraud. We asked respondents which of the following prevention tools and tactics they believed were the most effective for preventing fraud in CTV advertising:

- Buying directly from publishers and platforms through private marketplace (PMP)
- Buying only through trusted partners
- Requiring participation in industry resource-sharing initiatives and partnerships
- Requiring participation in initiatives like app-ads.txt and sellers.json

Respondents were asked to rate how effective they thought each tactic would be in preventing fraud, with 1 being the most effective and 4 being the least effective.

Q: ***Which of the following do you believe to be the most effective methods of preventing fraud in CTV advertising?***
(overall results, rated 1-4 with 1 as most effective)

Overall, survey respondents found each of the tactics to be roughly as effective as one another:

Buying directly from publishers and platforms through PMP	2.41
Buying only through trusted partners	2.43
Requiring participation in industry resource-sharing initiatives and partnerships	2.55
Requiring participation in initiatives like app-ads.txt and sellers.json	2.63

There's an inherent trust many respondents shared in PMPs, and in choosing the right publishers and partners to work closely with for deals.

Looking at the business types, though, some of the preferred mechanisms shift a bit. Brand Agencies have more faith in industry-wide transparency initiatives like app-ads.txt and sellers.json than any other business type. And the catchall "Other" category strongly preferred working with trusted partners...and had the least faith in those same industry initiatives.

Even a glance at individual responses to the question found there was no strong consensus. Two respondents from the same type of agency might rank the four tactics and tools completely opposite of one another, with one suggesting PMP purchases were the best bet, while the other keyed in on ads.txt, app-ads.txt and sellers.json.

PMPs

→ But are those PMPs inherently free of fraud? Buyers, despite their faith in these marketplaces (at least as compared to other anti-fraud tools and tactics) aren't actually sure. In fact, the overwhelming majority of respondents acknowledge the possibility and impact of fraud on PMPs. A solid **75% of buyers** affirmed their belief that these limited platforms are impacted by fraud.

Buying teams weren't unanimous in this belief, however. Programmatic teams were the most convinced, with **85% of buyers** belonging to those teams suggesting they expected fraud on those platforms, while only **60% of buyers** on Innovation teams (still a majority, it's worth noting) agreed.

Buyers were confident, however, of their partners when it came to

Q: *Do you believe that private programmatic deals and marketplaces (PMP) are impacted by fraud?*
(grouped by buying team)

80%	**70%**	**85%**	**60%**
Digital Investment	Video/Traditional Investment	Programmatic	Innovation

Q: *Which of the following do you believe to be the most effective methods of preventing fraud in CTV advertising?*
(sorted by agency type, rated 1-4 with 1 as most effective)

	Buying only through trusted partners	Requiring participation in initiatives like app-ads.txt and sellers.json	Buying directly from publishers and platforms through PMP/PG deals	Requiring participation in industry resource-sharing initiatives and partnerships
Brand Agencies	2.66	2.34	2.28	2.72
Content Agencies	2.53	2.47	2.58	2.42
Digital Agencies	2.33	2.73	2.47	2.46
Full-Service Agencies	2.75	2.71	2.13	2.41
Media Agencies	2.28	2.52	2.41	2.8
Other *(promotion agency, video agency, search marketing agency, in-house agency)*	1.98	2.83	2.53	2.68

anti-fraud solutions. **73% of buyers** said their partners had anti-fraud solutions in place, and that number was similarly ranged among the buying teams:

Q: ***Do your partners use anti-fraud solutions?*** *(grouped by buying team)*

84%	66%	75%	60%
Digital Investment	Video/Traditional Investment	Programmatic	Innovation

Interestingly, while the Digital Investment buying group was fairly certain (80%) that fraud exists within PMPs, they were even more certain their partners had anti-fraud solutions in place (84%). Digital Investment buyers were nearly 25% more likely to have anti-fraud partners than their Innovation team counterparts.

> *Fraud is not merely the cost of doing business in digital advertising: it's an active threat to buyers and partners alike.*

Takeaways

→ **CTV advertising buyers are aware of invalid traffic and ad fraud.** They are not, however, clear on the definitions and distinctions between the two. The question worth exploring, though, is whether buyers need to be able to make those distinctions. The chief benefit is that buyers can more intentionally choose their partners based on anti-fraud tools and tactics. Fraud is not merely the cost of doing business in digital advertising: it's an active threat to buyers and partners alike, and recognizing the differences between invalid traffic and ad fraud is a key first step in fighting back.

→ **Buyers have a wide range of opinions on which CTV advertising vehicles are most fraud-laden.** Regardless of agency type or buying team, buyers remain suspicious of SSAI technologies. But those buyers who recognized the distinctions between IVT and ad fraud were less skeptical of SSAI and more skeptical of resold inventory. Buyers, especially those exploring resold inventory, should be asking their SSPs about the most directly-sourced inventory, pre-bid scanning, and brand safety.

→ **Buyers believe PMPs have fraud, but that they're one of the most effective ways to avoid fraud.** It's an interesting dichotomy, buyers recognizing overwhelmingly that PMPs are not fraud-free, but simultaneously rating them among the most effective ways to combat fraud in their perception. As services like Netflix and others consider or add new advertising-supported tiers, more PMPs may be coming soon.

6

What Buyers See

6.

What Buyers See

It wasn't very long ago that fraud in digital advertising was perceived simply as the cost of doing business in that ecosystem. Print and other physical advertising couldn't be perfectly efficient, so why should we expect any different of digital advertising?

Ad fraud is one of the highest-reward, lowest-risk[6] forms of cybercrime. Entire web forums are built on the premise of stealing money through staging a dummy website with ads on it and then clicking on those ads over and over again. Then the bots got more involved, scaling it up even more and making it an industry-wide epidemic.

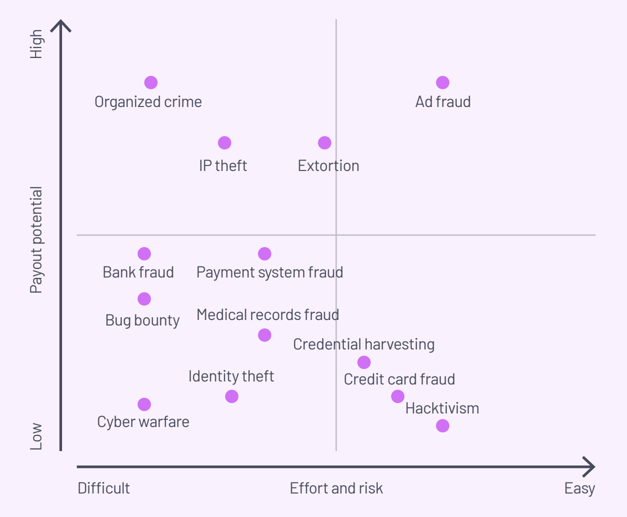


Figure 1: Attractiveness of hacking based on financial gain and effect

The perception that fraud was simply table stakes was turned on its head as the industry began to understand the sheer scale of fraud. Bot Baseline Reports published by HUMAN (at the time, White Ops) and the Association of National Advertisers found that brands were losing billions of dollars a year to preventable advertising fraud. And with new markets like CTV, gaming, and audio all beginning to incorporate advertising, the cycle may be beginning again with a vengeance.

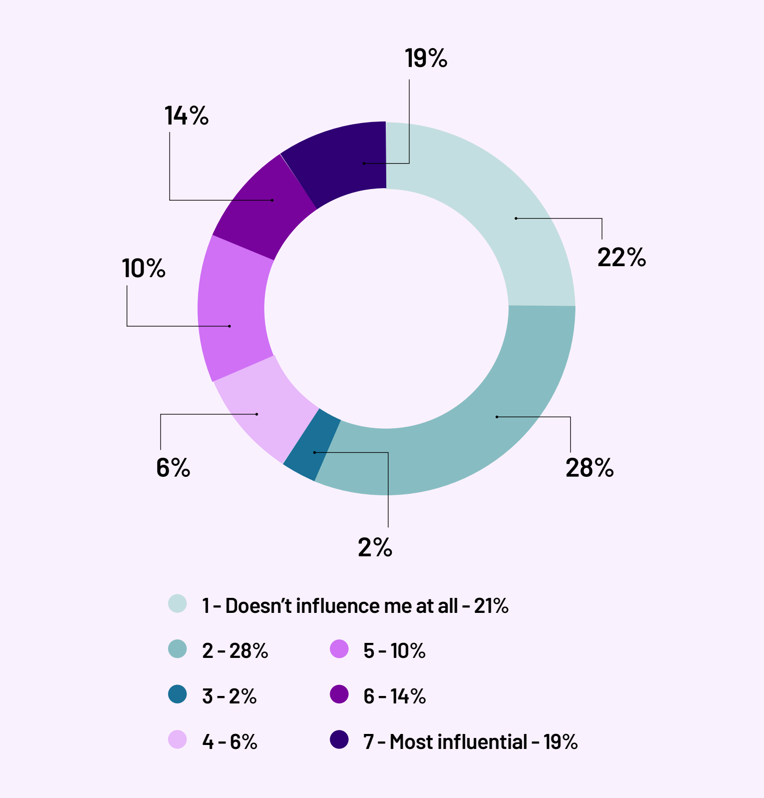
CTV advertising buyers were exceptionally polarized in their response to one key question: when choosing a CTV partner, how important to you is fraud protection or a low fraud rate? Just short of half of the respondents—49%—rated fraud protection as only a 1 or a 2 out of 7 (7 being the most important). But a third of respondents rated it a 6 or a 7 out of 7, suggesting there's both an opportunity for further education on fraud in CTV and that a significant proportion of buyers are already thinking hard about how to get the most out of their CTV campaigns.

[9]The Business of Hacking, Hewlett Packard, 2016

Importance of Fraud Protection in Partners

→ As noted above, the importance of fraud protection when CTV advertising buyers choose a partner is heavily polarized. Very few respondents were ambivalent on the issue, with 18% ranking fraud protection anywhere from a 3 to a 5 on a scale of 1 to 7.

Q: ***When choosing a CTV partner, how much does fraud protection or a low fraud rate influence your decision?*** *(overall results)*



Breaking out these figures by buying teams, it's clear that the more forward-thinking and experimental CTV advertising buyers are willing to take it on the proverbial chin if it gets some attention. A solid **60%** of buyers on Innovation teams rated fraud protection only a 1 or a 2 on the scale of importance. These are the folks for whom the expression "nothing ventured, nothing gained" might be carved above the lintel, so it makes sense they'd be the folks most likely to center their concerns elsewhere.

In contrast, **49%** of buyers on Digital teams rated fraud protection a 6 or a 7 on the importance scale. Digital buyers were the most likely by far to name fraud protection as a crucial element.

On the whole, Digital teams' responses averaged nearly a point and a half higher than Innovation teams' responses, and a point higher than Video/ Traditional teams:

Q: ***When choosing a CTV partner, how much does fraud protection or a low fraud rate influence your decision?*** *(grouped by buying team, rated 1-7 with 7 being most influential)*

Team	Rating 1/2	Rating 6/7	Average Score
Digital Investment	30%	49%	4.56
Innovation	60%	19%	3.10
Programmatic	52%	32%	3.72
Video/Traditional Investment	57%	31%	3.46

Agency types, too, have wildly different takes on how important fraud protection is when they choose a CTV advertising partner. Media agencies were fully unconcerned with fraud protection in their partners - **68%** of respondents from those agencies rated fraud protection as only a 1 or a 2, compared with the mere **16%** who rated it a 6 or a 7.

On the flip side, Digital agencies again rated fraud protection as more important than any other agency type. **47%** of Digital agency buyers rated fraud protection as a 6 or a 7, with **39%** (a low among agency types surveyed) naming it a 1 or a 2.

Indeed, Media agencies' responses rated fraud protection at only 2.90 on the importance scale, while Digital agencies clocked in at 4.28:

Q: *When choosing a CTV partner, how much does fraud protection or a low fraud rate influence your decision?* *(grouped by agency type, rated 1-7 with 7 being most influential)*

Agency Type	Rating 1/2	Rating 6/7	Average Score
Brand	56%	36%	3.43
Content	53%	33%	3.75
Digital	39%	47%	4.28
Full-Service	46%	44%	4.00
Media	68%	16%	2.90
Other *(promotion agency, video agency, search marketing agency, in-house agency)*	41%	28%	2.85

> *We asked respondents to rate their level of concern on a scale of one to ten, ten being the most concerned. The average level of concern was 6.92.*

Concerns about Fraud

→ Here's the crux of the survey: how concerned were respondents about potential fraud on CTV platforms? Is this a problem that's occupying a lot of space in CTV ad buyers' brains, or is it much ado about nothing? And are there terms like SSAI which may be creating confusion in the minds of ad buyers?

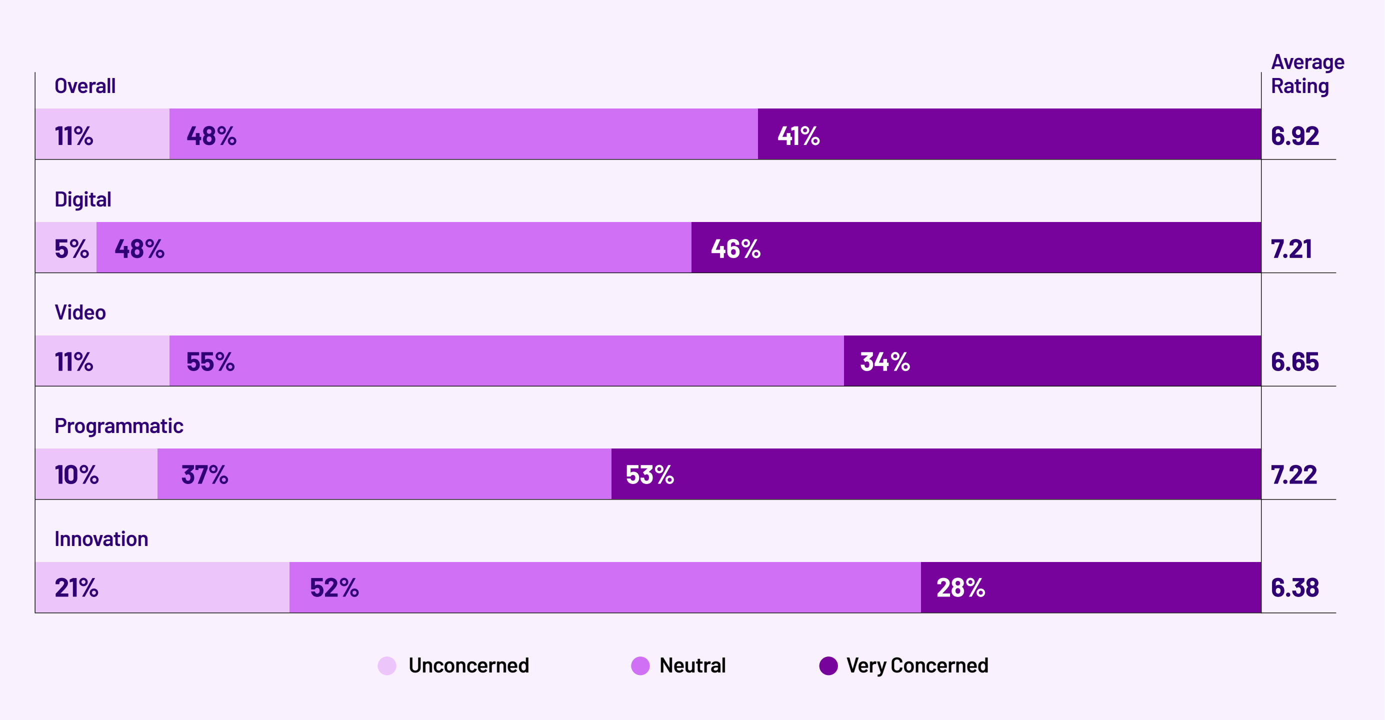
Spoiler alert: it's a major source of concern for most of the buyers we surveyed. We asked respondents to rate their level of concern on a scale of one to ten, ten being the most concerned. The average level of concern was **6.92**, but that doesn't truly reflect how many people in the respondent base were very concerned by the potential for fraud.

On the whole, **11%** of respondents rated their level of concern between 1 and 4, and we're calling that group the "unconcerned" cohort. **48%**, very nearly half of the respondents, rated their level of concern between 5 and 7, and we're calling that group the "neutral" cohort. And finally, **41%** of respondents rated their level of concern between 8 and 10, which we're calling the "very concerned" cohort.

Not surprisingly, buying teams had different sensibilities about potential fraud on CTV platforms. Programmatic teams expressed the greatest concern over fraud, with more than half—**53%**—falling in the very concerned cohort. And echoing their sentiments from the previous section, buyers on Innovation teams were the least concerned overall, with **71%** falling in either the unconcerned or neutral cohorts.

The eye-popping statistics here lie chiefly in the distinctions between each buying team and the overall number.

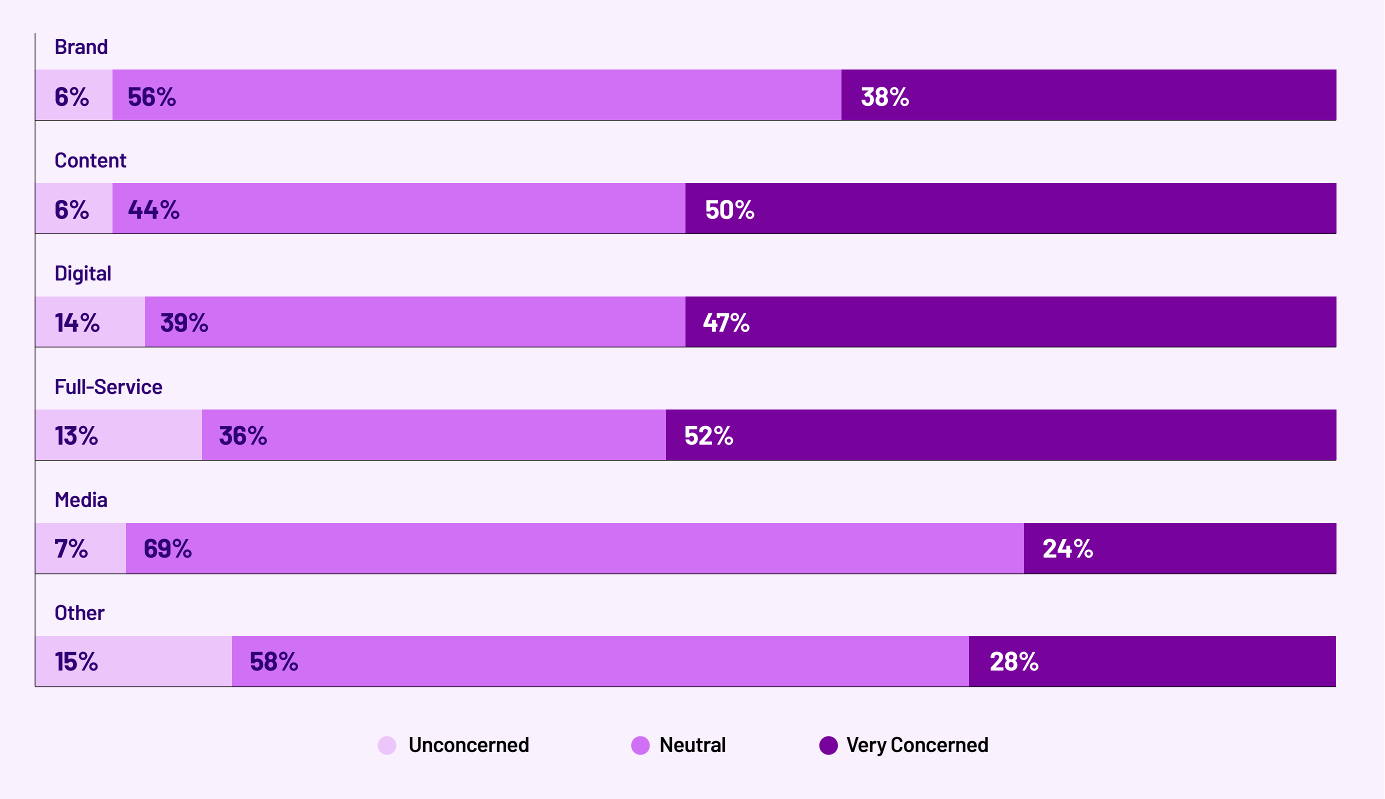
Q: ***How concerned would you rate you and your organization with regards to potential fraud on CTV platforms?*** *(sorted by buying team, rated 1-10 with 1-4 as "Unconcerned", 5-7 as "Neutral", and 8-10 as "Very Concerned")*



Where the Digital and Video/Traditional buying teams were largely in line with the broader respondent base, both the Programmatic and Innovation teams fell on opposite ends of the spectrum. Indeed, the proportion of very concerned Programmatic buyers was nearly twice as big as the proportion of very concerned Innovation buyers. This makes a certain amount of sense, as Programmatic teams are often especially focused on execution and metrics in a way that Innovation teams aren't. Those Innovation teams are often willing to accept campaigns that don't perform well as the cost of trying new things.

Breaking the concerns out by agency type also reveals an interesting pattern: while three agency types were largely neutral on fraud in CTV, three agency types shared concerns at a notably higher rate than the rest:

Q: How concerned would you rate you and your organization with regards to potential fraud on CTV platforms? *(sorted by agency type, rated 1-10 with 1-4 as "Unconcerned", 5-7 as "Neutral", and 8-10 as "Very Concerned")*



The Content, Digital, and Full-Service agencies all share a greater concern for fraud on CTV platforms than their counterparts at Brand, Media, and Other agencies. Respondents at Media agencies in particular, fell into the very concerned cohort less than half as often as those at Content or Full-Service agencies.

Specific Fraud Concerns

→ Knowing how concerned buying teams and agency types are about fraud in CTV is a good start, but it would be hard to remedy or ameliorate those concerns without knowing exactly what they're concerned about. So we asked that question too - what, of a set of possible fraud-in-CTV forms, were the most concerning to buyers?

Broadly speaking, everything is concerning. Or at least, everything registered above a 4.0, the midpoint on the scale of 1-7 used for this analysis. And what's more, when looking at the respondent base as a whole, all of the suggested fraud options registered within one point on the concern scale. That is to say, everything is more or less as concerning as everything else.

Q: ***When thinking about the impact of fraud to your organization, which of the following forms of fraud are you most concerned with?*** *(overall results, rated 1-7 with 7 being most concerned)*

Here's how they stacked up among the entire respondent base:

Personal data breach	5.6
Incorrect Reporting & Measurement	5.3
Delivering Impressions against Unauthorized Inventory	5.2
Spoofed/Misrepresented Inventory	5.1
Lost Budgets	5.0
Bot Traffic	4.8

The forms of fraud we posited were:

Personal Data Breach	Incorrect Reporting and Measurement	Delivering Impressions against Unauthorized Inventory
Spoofed/ Misrepresented Inventory	Lost Budgets	Bot Traffic

Interestingly, despite the high-profile bot-based ICEBUCKET and PARETO attacks of the last few years, bot traffic registers the lowest among the varieties of fraud respondents assessed. Data breaches ranking tops among all of the varieties of fraud is no shock: data breaches aren't just PR nightmares, they also introduce liabilities that may be hard to unravel. Staying out of the headlines is a noble goal.

The buying teams largely agreed on their worries about data breaches, with all four teams rating it **between 5.43 and 5.68** on the out-of-seven scale. But that was the only fraud mechanism to resonate so evenly among the teams. The range of averages for bot traffic as a threat model spanned more than a full point from the lowest (**4.2**, from the Programmatic team) to the highest (**5.39**, from the Digital team).

Programmatic teams, interestingly, were significantly more concerned with data breaches (**5.68**) than they were with lost budgets (**4.39**) or unauthorized inventory (**4.78**). Particularly on CTV, data breaches aren't impossible, but the attack path is harder to define than the other fraud mechanisms referenced.

Q: ***When thinking about the impact of fraud to your organization, which of the following elements of fraud are you most concerned with?*** *(grouped by buying team, rated 1-7 with 7 being most concerned)*

	Data Breach	Unauthorized	Bots	Lost Budget	Bad Reporting	Spoofing
Digital	5.63	5.56	5.39	5.52	5.64	5.34
Innovation	5.43	5.23	4.53	4.91	5.2	5.17
Programmatic	5.68	4.78	4.2	4.39	5	4.85
Video/Traditional	5.57	5.07	4.93	4.75	5.11	5.04

Examining which fraud models registered most highly among the three concern cohorts uncovered some interesting highs and lows. While it's unsurprising, given the figures above, that data breaches registered as a major concern among all buyers of all stripes, the level of concern was startling among those who self-identified as being very concerned about fraud on CTV. Within that cohort, data breaches were rated a **6.1**, falling only to a **5.0** among the unconcerned cohort. Clearly, data breaches are at the very forefront of buyers' minds, and their choice of partners will be dictated in large part by their ability to prevent or mitigate that outcome.

Q: ***When thinking about the impact of fraud to your organization, which of the following elements of fraud are you most concerned with?*** *(grouped by response and overall level of concern about fraud on CTV, scores averaged)*

	Unconcerned (1-4)	Neutral (5-7)	Concerned (8-10)
Personal Data Breach	5	5.28	6.1
Delivering Impressions against Unauthorized Inventory	4.41	5.04	5.6
Bot Traffic	4.07	4.82	5.07
Lost Budgets	3.81	4.95	5.29
Incorrect Reporting & Measurement	4.41	5.08	5.75
Spoofed/Misrepresented Inventory	4.93	4.87	5.46

Data breaches registered as a major concern among all buyers of all stripes, the level of concern was startling among those who self-identified as being very concerned about fraud on CTV.

No matter how you slice the data—by buying team or by level of concern—buyers of all stripes expressed significant worry about personal data breach.

Takeaways

→ **Buyers haven't decided how important fraud protection is to them.** Our survey found that buyers were incredibly polarized on the issue of fraud protection when it came to selecting their partners, with half rating it as virtually insignificant, but a third rating it as absolutely critical. Partners on the demand-side should reiterate the possible damage that fraud can cause, particularly on new and rapidly-expanding platforms like CTV.

→ **Buyers are, however, truly concerned about data breaches.** No matter how you slice the data—by buying team or by level of concern—buyers of all stripes expressed significant worry about personal data breach. And that's a logical worry, as buyers aren't likely to give a second chance to partners who aren't able to keep them out of the headlines. Not to mention ongoing criticism of using email-based technologies as a substitute for third-party cookies.

→ **Concern varies widely from team to team.** Innovation teams are the least worried about fraud on CTV. That makes sense, as their bailiwick is the cutting edge. But Digital teams were very concerned and Programmatic and Video/Traditional teams fell somewhere in between.

7 What Buyers Do

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What Buyers Do

In the preceding sections, we've explored how CTV advertising buyers perceive the threat of fraud in a few different ways: we've uncovered that many are concerned with the potential impacts of fraud in a few key ways, and we've found that even the mechanisms they believe to be the most fraud-free aren't safe from their suspicions. In this section, we'll discuss how buyers react to the realities of fraud on CTV platforms, both in terms of what specific remediations they take and demand, and what tactics they believe would be most effective in combatting fraud.

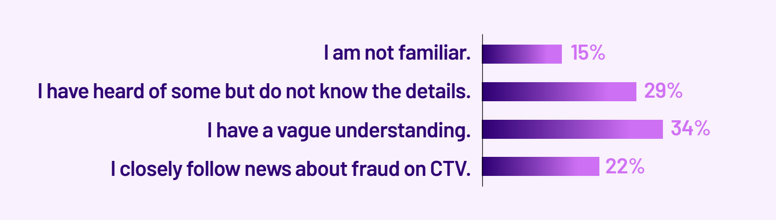
For example, we asked how closely CTV advertising buyers paid attention to news of major fraud schemes in the industry. We figured familiarity with the broad strokes of operations like ICEBUCKET and PARETO might serve as a reasonable bellwether for how much headspace fraud in CTV really took.

The results suggested that on the whole, buyers were tapped in - **56%** of buyers said they either had a vague understanding of organized cybercriminal activity on CTV platforms or that they closely follow news about fraud in CTV. Breaking these numbers into team-based perceptions, though, uncovered very different sensibilities.

Organized Cybercrime

As noted above, a slight majority of respondents said they had some level of understanding of organized cybercrime around CTV:

Q: ***Which of the following best describes your level of knowledge of large-scale fraud operations (organized cyber criminal activities) that center on CTV?*** *(overall results)*



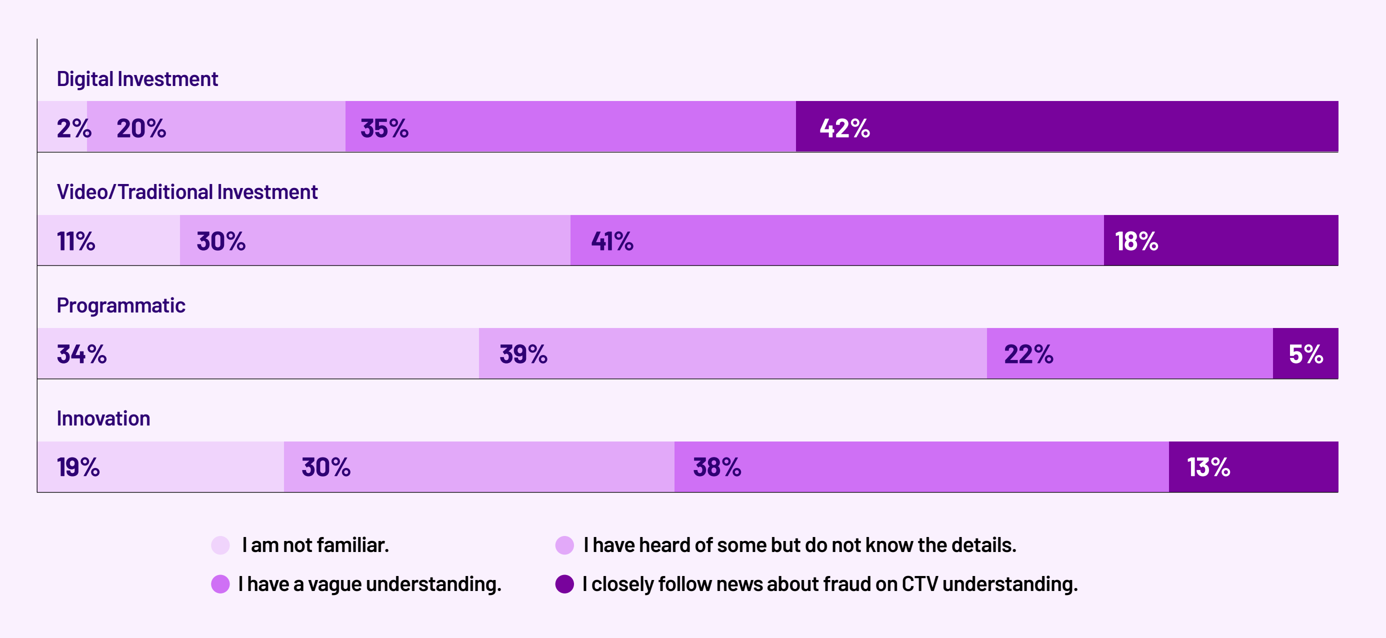
Those numbers, though, aren't consistent from one buying team to the next. Indeed, more than one in three Programmatic team buyers—**34%**—said they weren't familiar with schemes like ICEBUCKET and PARETO. Add to that the number of Programmatic buyers who had only a very passing familiarity with those operations and only about a quarter of buyers—**27%**—knew much of anything about a significant threat to their business.

In contrast, Digital buyers were especially tapped in. A full **77%** ticked one of the top two boxes, and an almost invisible **2%** were unfamiliar. Organized Cybercrime

77%

of digital buyers ticked one of the top two boxes, and an almost invisible 2% were unfamiliar.

Q: ***Which of the following best describes your level of knowledge of large-scale fraud operations (organized cyber criminal activities) that center on CTV?*** *(grouped by buying team)*



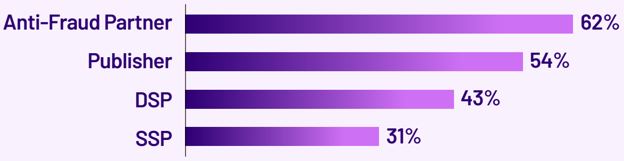
Remediation Responsibilities and Frequency

IVT happens. There's no two ways about it: it simply cannot be brought to a level of zero. There's always some intrepid hacker or unviewable traffic.

What's more important than the existence of IVT is what happens afterward. Whom do the victimized buyers blame, and what do they do about it? Remediations are a common practice in the digital advertising ecosystem, with clawbacks, make-goods, and other forms of recompense offered or asked for in exchange for performance deficits. But knowing what we know now about the impacts and perceptions of fraud in CTV platforms, how are buyers with a focus on CTV handling those challenges?

We asked survey respondents which party should be responsible for remediations in a post-IVT situation, and the results were interesting. (Respondents could choose more than one part on this question.) The majority of respondents identified the Anti-Fraud Partner (to the tune of **62%**) and the Publisher (**54%**) as being responsible for remediations. DSPs and SSPs, while not insignificant, registered the lowest totals on the question.

Q: ***When IVT occurs, what party is responsible for remediation?*** *(overall results)*



Broken out by agency type, we can see that the above figures are mostly consistent, most of the time. Each agency type had its own outlier, its own ecosystem partner it really did or really didn't think should be responsible.

For example, Media Agencies found Publishers to be responsible for remediations at a **79%** rate, far exceeding every other agency type. And on the flip side, the same Media Agencies identified Anti-Fraud Partners as less responsible than any other agency type. (Granted, that still came at a **45%** rate.)

Q: ***When IVT occurs, what party is responsible for remediation?*** *(grouped by agency type)*

	Publisher	SSP	DSP	Anti-Fraud
Brand Agencies	66%	38%	41%	63%
Content Agencies	58%	39%	47%	61%
Digital Agencies	42%	37%	47%	68%
Full-Service Agencies	50%	30%	45%	68%
Media Agencies	79%	31%	45%	45%
Other	43%	13%	30%	58%

Buying teams, too, had favorite ecosystem partners whom they expected to cough up for remediation efforts. All buying teams were of roughly the same perspective as it came to DSPs and Anti-Fraud Partners. But Publishers and SSPs saw wider ranges in the percentages of respondents who felt they shared in remediation responsibilities:

Q: ***When IVT occurs, what party is responsible for remediation?*** *(grouped by buying team)*

	Publisher	SSP	DSP	Anti-Fraud
Digital	47%	31%	45%	63%
Innovation	45%	28%	38%	64%
Programmatic	61%	42%	46%	63%
Video/ Traditional	64%	23%	39%	59%

The timing of remediations also varied - while nearly half of respondents—**44%**—processed remediations on a quarterly basis, nearly one-in-five—**18%**—handled them on a campaign-by-campaign basis.

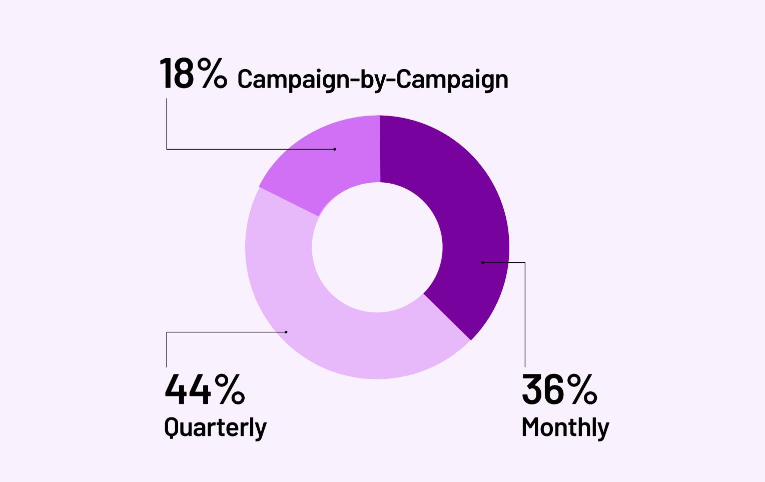
Working Group Effectiveness

None of the above is to suggest there aren't systems or processes in place to try and mitigate or prevent fraud on CTV platforms. Indeed, most bot detection and anti-fraud partners like HUMAN have special focus areas and teams dedicated to finding new mechanisms for fraud on CTV and developing signals to detect and filter them.

Initiatives like the Human Collective are also helpful in this endeavor. The Human Collective brings together organizations from the entire digital advertising ecosystem with the goal of sharing knowledge and resources in the fight against advertising fraud. These organizations meet regularly to discuss trends they've witnessed in their own data, and to develop new tactics to circle the proverbial wagons and safeguard the industry as a whole from fraud.

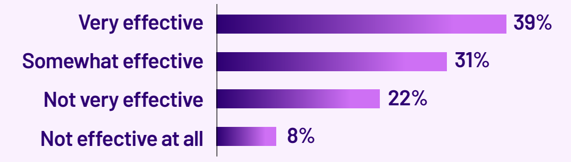
On the whole, there's a lot of confidence in the capacity of a group like the Human Collective to protect the industry from fraud. Digital teams in particular found the idea compelling:

Q: ***How often do remediations for wasted impressions occur?*** *(overall results)*

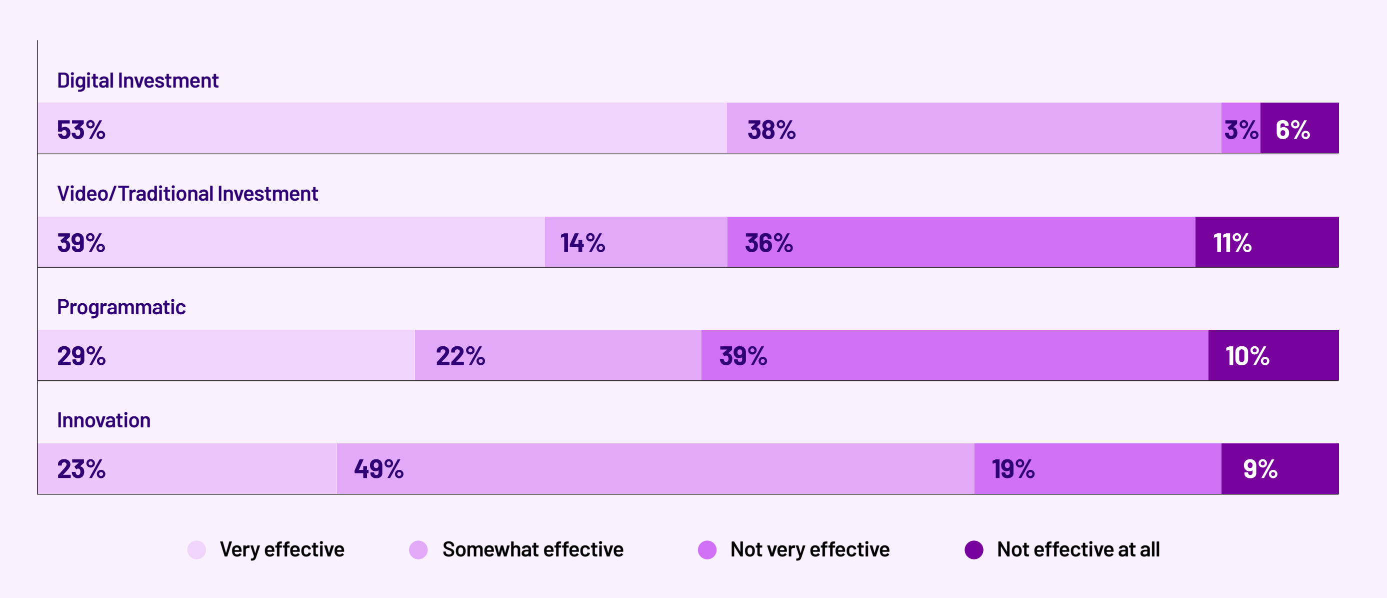


Q: ***How effective do you think an industry-wide resource-sharing working group would be in combating fraud on CTV platforms?*** *(overall results)*

When asked about the perceived effectiveness of groups like the Human Collective, respondents were torn:



Q: ***How effective do you think an industry-wide resource-sharing working group would be in combating fraud on CTV platforms?*** *(grouped by buying team)*



That's 91% of Digital buying team respondents who find value in the idea of a cross-industry working group. Lucky for them, one exists.

Looking at the same question from a concern cohort perspective shows, interestingly, that both the Unconcerned and Very Concerned cohorts are bullish on the idea:

Indeed, it's the Neutral cohort that hedges about how effective a group like the Human Collective could be. A solid **68%** of respondents in that cohort ranked their confidence in the effectiveness of an industry-wide working group within the middle two boxes.

Q: ***How effective do you think an industry-wide resource-sharing working group would be in combating fraud on CTV platforms?*** *(grouped by overall level of concern about fraud on CTV)*

	Not effective at all	Not very effective	Somewhat effective	Very effective
Unconcerned	11%	22%	19%	48%
Neutral	8%	29%	39%	24%
Very Concerned	8%	13%	25%	54%

Takeaways

→ **Attention must be paid.** With apologies to Arthur Miller, the proportion of buyers who knew little or no details of major cybercriminal operations that directly impact their campaigns' performance was too high, particularly among the Programmatic buying teams. These operations, and the investigations that uncover them, often shed light on significant gaps in advertising and media security.

→ **Remediation is a touchy subject.** Buyers across the spectrum, both in buying team and agency type, had widely varied opinions on which party in the advertising ecosystem is responsible for remediations and on how often they should be processed.

→ **Cross-industry working groups are a winner.** The idea of a working group like the Human Collective was received very well across the board, but some buying groups shared a little more skepticism on the Collective's potential impact than others.

8

Conclusions

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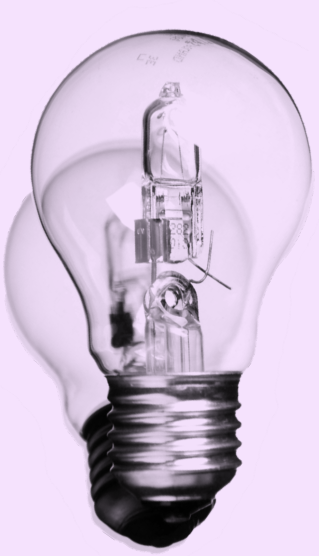
Conclusions

→ The short version is: buyers overwhelmingly believe there is fraud on CTV platforms, and they're concerned about the impacts of that fraud to their campaigns. They don't, however, have a uniform opinion or strategy on how best to combat that fraud. Buyers are inclined to trust their partners to have their best interests in mind, and don't often feel the need to stay deeply in touch with news about fraud on CTV. (And we get it - it might be kind of defeatist to stare at headlines all day if you don't have to.)

With the expected continued growth in CTV ad spending and the opening of new PMPs and open programmatic inventory, now is the moment for buyers to think hard about their partners and what they're doing to prevent fraud:



Ask yourself:

- **Are those partners participating in the industry-wide initiatives designed to ensure transparency throughout the supply chain? (Ads.txt, App-ads.txt, sellers.json, and ads.cert)**
- **Are they participating in resource-sharing working groups like the Human Collective to glean best practices from their neighbors on how the fraud battle is fought next door?**
- **Are they educating brands and/or publishers on what fraud is and how they fit into the calculus of prevention?**

This new research suggests that there's room for more awareness campaigns on the part of ad tech ecosystem partners to ensure our brand and publisher customers know everything they need to know about how fraud impacts the environment. HUMAN and TripleLift will continue to work together to bring these campaigns forward and make the CTV advertising ecosystem fraud-free for every buyer.

About TripleLift

TripleLift is the advertising technology company reinventing ad placement at the intersection of creative, media and data. Our marketplace serves the world's leading brands, publishers, streaming companies and demand-side platforms, executing over 1 trillion ad transactions every month. Customers choose us because of our addressable offerings from native to online video to connected television, innovations that insert brands into content in real-time, and supportive experts dedicated to maximizing partner performance. And with its acquisition of 1plusX, customers can unlock the full value of their marketing data in a privacy-safe way with its first-party data management platform. Part of the Vista Equity Partners portfolio, TripleLift has appeared on both the Inc. 5000 and Deloitte Technology Fast 500 for five consecutive years, has been named to Business Insider's list of Hottest Ad Tech Companies for three straight years and was awarded Most Innovative TV Advertising Technology by AdExchanger in 2021. Find out how TripleLift is shaping the future of advertising at **www.triplelift.com**.

About HUMAN

HUMAN is a cybersecurity company that protects organizations by disrupting digital fraud and abuse. We leverage modern defense to disrupt the economics of cybercrime by increasing the cost to cybercriminals while simultaneously reducing the cost of collective defense. Today we verify the humanity of more than 20 trillion digital interactions per week across advertising, marketing, e-commerce, government, education and enterprise security, putting us in a position to win against cybercriminals. Protect your digital business with HUMAN. To Know Who's Real, visit **www.humansecurity.com.**