

MARKETING

Ad fraud decreasing despite increase in digital ad spend

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Travelers are more interested in hotel apps than in-room tech. Image credit: Criton

By STAFF REPORTS

According to a new report from the Association of National Advertisers and White Ops, efforts to curb advertising fraud are working.

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While the losses due to ad fraud will total \$5.8 billion this year, this figure is down from 2017's \$6.5 billion. Per the fourth annual Bot Baseline report, more fraud will be prevented this year than will occur.

"The decrease in ad fraud suggests that the war on fraud is winnable," said Bob Liodice, CEO of ANA, in a statement. "Less fraud means more resources can be devoted to brand and business building."

Fighting fraud

Fraud attempts represent about 20 to 35 percent of all ad impressions. However, the report notes that less attempts at fraud are being paid for than in the past.

About 8 percent of display advertising impressions are fraudulent, compared to 9 percent in 2017. Fraudulent video views have also decreased from 22 percent in 2017 to 14 percent today.

Efforts such as the Interactive Advertising Bureau Tech Lab's Ads.txt program for publishers have helped to reduce fake traffic. It has also become more expensive to buy bot traffic that appears realistic.



The IAB's Ads.txt program aims to curb ad fraud. Image credit: IAB

Programmatic ad platforms have also incorporated fraud prevention, and buyers are increasingly working through these channels.

The monetary value of ad fraud has declined 11 percent in two years, despite the fact that digital ad spending has risen.

Digital luxury ad spend finally overtook print advertising in 2018 among a host of other changes to the luxury advertising landscape.

This data comes from Zenith, whose report on luxury advertising expenditure predicts among other things that display advertising will lose its lead in the near future in favor ecommerce advertising instead. The report represents a good look at how luxury ad spend is changing and what consumers can do about it to stay ahead of the curve ([see story](#)).

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