



Ready. Aim. Measure.

June 2016

**VIEW IT OR LOSE IT:
WHAT YOU NEED TO
KNOW ABOUT MOBILE
ADVERTISING VIEWABILITY,
FRAUD AND AD
BLOCKING**

Serving Ads that Work

Viewability, fraud and ad blocking are the headlines epicenter of digital advertising today; what you do or don't know about these mobile advertising issues can influence your marketing success. In this perpetually changing mobile-advertising universe, wise mobile ad buyers are concerned about reaching the audience they've paid to reach and squeezing the most juice from each and every impression.

The good news: armed with what you'll learn in this whitepaper, you needn't fear. We reveal how the industry is addressing these concerns and how 4INFO delivers the value promised by our products, overcoming the three biggest challenges faced by the mobile industry:



Viewability

When at least half of the pixels in non-mobile online advertising are visible to a human visitor for at least one second (or two seconds if video), as defined by the Media Rating Council (MRC).



Fraud

The advertising crime of using a person, automated script or computer program to imitate legitimate web browsing and ad-clicking.



Ad Blocking

Software on the user's device that uses various ways to prevent the download or display of an ad.

Mobile Viewability

4INFO is an active participant in the MRC's Mobile Viewability Working Group, which issued in May 2015 its interim guidance on mobile viewable impression measurement, providing temporary direction for mobile viewable ad impression measurement. Other important actions of the group:

- Announced an initiative to develop permanent guidance for measuring the viewability of in-app ads and mobile web ads.
- Updated the industry in November 2015 on the development of viewability standards and released the finding that "count-on-decision based approaches (in which the served impression count occurs at an early stage of the ad delivery process) should no longer be considered a valid method for served impression measurement.

One positive outcome of these efforts is that the MRC is now working with the Interactive Advertising Bureau (IAB) and the Mobile Marketing Association (MMA) to eliminate "count on decision" as an acceptable method for counting served impressions. As of November 2015, Moat, Inc. was the only viewability measurement provider to be officially accredited for mobile web and in-app viewable impression measurement under the interim guidance.

We are proud to be a part of this progress toward establishing viewability standards. The MRC anticipates that a draft of permanent mobile viewability guidelines should be ready for a public circulation and comment period in Q1 2016.

Once these defined measurement methodologies and standards are established, publishers and app developers will design their sites and apps to improve viewability as it is defined by the standards. 4INFO will continue to encourage our inventory partners to implement measurable viewability solutions.

Measuring Viewability

To measure “in-app” viewability requires direct integration between developers and the viewability measurement provider using a Software Development Kit (SDK). Currently there is no open-source or common SDK for viewability measurement. 4INFO works with major mobile advertising exchanges, and as such does not have direct relationships with developers, so we rely on our inventory sources to provide viewability measurement. These partners face many challenges in providing viewability measurement:

1. Developers/networks use proprietary SDKs, which have unique idiosyncrasies. Depending on how these SDKs are integrated, existing viewability issues can be compounded or new obstacles created.
2. Ad viewability identifiers, such as pixels and JavaScript, are hindered in app environments. JavaScript code relies on the MRAID (an industry standard API for rich media ads to expand/collapse banners) placement, which requires viewability measurement firms perfectly integrating with developers’ SDKs. Some mobile platforms aren’t up to par in standardizing this process and so, in turn, many developers and publishers integrate directly with the measurement solutions, compounding the fragmented landscape.
3. Some large-format ads rely on caching to speed the loading of creative. So, ads are stored locally on the device in order to render them quickly. This can cause inaccuracies in viewability; was the ad actually in view, or did it load in the background? Measurement solutions have no way to determine this without lengthy integrations, and few of those exist.
4. Even the mobile web viewability is unreliable, as ads on non-mobile optimized web sites that load to the right of the viewable screen area are counted as “viewable” even though the user never scrolled right to actually see them.

Our inventory partners are all actively working with viewability solution vendors who are participating in MRC accreditation efforts for mobile, including both Integral Ad Science and Moat.

It’s important to note that, just because an ad is not measured as viewable, it doesn’t mean that it was not viewable! Thanks to the diversity of devices, operating systems, ad units and apps in the mobile ecosystem, valuable and impactful ad units may be “uncountable” in terms of viewability, but are generating great success for clients. It’s important for a buyer to look beyond claims of “100% viewability” to see what is beneath such promises. Proof of a successful campaign is rarely found by viewability metrics alone

Fraud

Fraud is a massive issue in digital advertising, but has not yet found traction at scale in mobile. Fraud can take many forms, including bot fraud and fraudulent apps. For a more detailed analysis on this, read the 2015 Bot Baseline Study by the ANA and White Ops, Inc.” The short story:

Bot Fraud	Malware	Fraudulent Apps
Bot fraud takes many forms, including non-human actions (impressions, clicks, downloads or installs), impersonation of mobile devices by desktop bots and spoofing of programmatic mobile ad requests. In a study by the ANA and White Ops, mobile bot rates on mobile campaigns was measured at .2% -- a statistically insignificant fraction of all traffic.	Although mobile devices may be vulnerable to malware and apps that make invisible ad calls in the background, it has a very small footprint in the mobile ecosystem. Google reports that less than one percent of Android devices connecting to the Google Play store have any potentially unwanted software.	Mobile app fraud is when publishers or developers deliberately code apps to render hidden ads – either behind other ads, or when the app is not being used. Forensiq estimates these apps to be a very small percentage of the app universe. The major app stores are quick to pull apps when this behavior is observed, so fraudulent apps tend to have limited life spans.

4INFO’s first line of fraud defense is with our exchange partners. They monitor for fraudulent activity when adding publishers to their network and use ongoing analytics to identify and remove bad apps or sites from the exchange. Each of our inventory sources has clear policies prohibiting this kind of behavior by their publisher apps.

Beyond relying on our exchange partners’ fraud prevention measures, 4INFO also proactively reduces app fraud by using a combination of human checks, mixed with technical measures, to monitor for and block fraud on the platform.

Significantly, the majority of ads served by 4INFO are in-app, where bots are virtually a non-issue because bots don’t download apps to view ads. Bots may click CPC ads to fraudulently increase revenue based on click or install metrics – a non-issue for our customers since 4INFO does not sell this type of advertising.

4INFO also monitors an apps’ level of ad requests. If a single device is seeing an impossibly high number of ad requests, it is flagged as being potentially risky and blocked from bidding and we notify the exchange.

For our customers, accurate location data is critical. Publishers or apps may engage in fraud by providing inaccurate location data with ad requests, such as centroids (locations that approximate the location of the device, rather than specifically identifying an accurate location). 4INFO monitors apps for such patterns, as well as for “sonic travel” – when a device is seen at two diverse locations within seconds, and then blocks this data from being used, while flagging the app for evaluation.

Ad Blocking

Ad blocking is a hot topic made hotter by the launch of Apple iOS 9, which gave developers the ability to write apps that block ads on Apple’s mobile browser. Mobile ad blockers can only block ads on the mobile web, not ads within an app, and mobile users spend 86% of their time in apps. This means that ad blocking is far less threatening to the mobile ad ecosystem than initially thought. Although there was a brief spike in ad blocking app downloads after they first became available, subsequent consumer adoption of mobile ad blockers has been low.

Even so, the issue of ad blocking underscores the need for mobile ads that are relevant, targeted and measured so that advertisers can be sure they're reaching the right people with a message the audience can appreciate.

The IAB is calling for ad size and formatting standards that will make online ads less disruptive and, as a result, less likely to prompt consumers to download ad blocker apps. The mobile industry needs to hear this call to action and work to avoid disruptive consumer experiences.

Measuring What Matters

So the big question is: *When will the mobile ad industry collectively reach that proverbial corner?*

At 4INFO, we are already rounding that corner. We accurately measure the success of your campaign by incremental sales increase. To put it differently, we match mobile ad impressions to actual, real-world, in-store purchases and calculate a Return on Ad Spend (RoAS) that factors in both the incremental sales increase resulting from the mobile ad exposures and the media cost.

According to eMarketer, "The differences between mobile and desktop will continue to complicate the discussion, but so will publishers and advertisers, who will resist having to pigeonhole views under a single definition. In some quarters, people are asking whether a view is even worth measuring. In a world where so much information can be captured about consumers and their interactions with ads, perhaps 'viewing' an ad isn't nearly as important as what happens next, after the ad is viewed."

At 4INFO, we couldn't agree more. Measuring the sales transactions influenced by a mobile ad campaign is the truest metric, not viewability.

Advertisers expect that the right (and real) person sees the right ad at the right time, so no impressions or ad dollars are wasted. However, ask anyone in the mobile ad space and they will likely have a story about, say, an ad for a casino served to their child in a coloring book app. (True story!)

Marketers who count on actual in-store sales transactions to determine if their mobile ad campaigns are profitable, instead of traditional digital key performance indicators such as views and clicks, quickly figure out that viewability is much less of an issue. Bots don't go to stores and buy products. If a particular mobile ad platform is plagued with fraudulent views or failure to show potential buyers ads, it will be uncovered by a negative RoAS because too many impressions were served relative to the sales generated.

Marketers seeing a positive RoAS of, say, 256 percent, as did the 92 brands included in 4INFO's Mobile Advertising Benchmarks, will know their money was well spent and they can trust that viewability is not a problem they need to worry about. Read more about results seen in measuring sales lift at 4info.com/benchmarks.

“While it feels to digital media buyers and sellers like an inordinate amount of time for a universal viewability standard to be established, the process and timeline parallel that of other ad tech innovations. A need arises, multiple vendors vie for best-of-breed and a winner finally emerges. The current state of confusion is actually a good sign that the winner is right around the corner.”

Susan Bidel
Forrester

Industry Organizations:

These organizations are leading the conversation about mobile viewability and are leading the way in establishing standards and guidelines for the industry, with participation from vendors and groups across the digital ecosystem.

Media Rating Council (MRC)	Making Measurement Make Sense (3MS) Making Mobile Measurement Make Sense (4MS)	Trustworthy Accountability Group (TAG)
The MRC is an independent organization that provides industry definition and standards around what is a viewable impression. Their goal is to secure measurement services that are valid, reliable and effective. The MRC issued interim guidance on mobile viewable impression measurement on May 4, 2015.	Groups including the American Association of Advertising Agencies, the Association of National Advertisers, the Mobile Marketing Association and the Interactive Advertising Bureau have formed a coalition to tackle and standardize mobile ad measurement.	TAG is a cross-industry accountability program to create transparency and brand safety in the digital ad industry, with a focus on eliminating fraudulent digital traffic, combating malware, and fighting ad-supported internet piracy. TAG was created by the Association of National Advertisers, the American Association of Advertising Agencies and the Interactive Advertising Bureau.

Additional Resources:

IAB Mobile Web Ad Measurement Guidelines:

<http://www.iab.com/wp-content/uploads/2015/06/MobileWebMeasurementGuidelines2FINAL-1.pdf>

IAB Mobile Application Ad Measurement Guidelines:

<http://www.iab.com/wp-content/uploads/2015/06/MobileAppsAdGuidelines1FINAL-1.pdf>

MRC Desktop Viewability Guidelines:

http://mediaratingcouncil.org/081815%20Viewable%20Ad%20Impression%20Guideline_v2.0_Final.pdf

Footnotes:

Forrester Report: "The Only Impression Worth Advertisers' Money Is A Viewable Impression: Trading Terms For Digital Media Finally Embrace Quality Controls."

Forensiq: "Mobile Device Hijacking, Ad Fraud Tactic Threatens Mobile Ad Ecosystem," July 2015

eMarketer: "11 Key Digital Trends for 2016: Our Predictions for What Will – and Won't – Happen Next Year," Dec.