## VAB Releases Report Offering In-Depth Look at the Hidden Costs of Digital Ad Fraud

—Report Shines Bright Light on the \$84 Billion Ad Marketplace, With Guidance for Marketers On How To Take Back Their Campaigns—

NEW YORK, Jan. 4, 2024 -- The <u>Video Advertising Bureau (VAB)</u> today released <u>Hidden Costs: Three Critical Business Ramifications of Digital Ad Fraud</u>. The report examines the financial, brand reputational and legal ramifications associated with fraudulent digital video campaigns—exploring those issues through tangible examples and offering five demands advertisers can make of their media partners to gain greater transparency into their campaigns.

"Many marketers are aware of the financial risks of digital ad fraud. However, the conditions around that fraud—such as data breaches and adjacencies to objectionable content—also put marketers and their brands in legal and reputational peril," said Sean Cunningham, President & CEO, VAB. "This is all in stark contrast to the high standards of accountability, transparency and brand safety which have always defined the premium video landscape. In 2024, VAB is committed to ending that double standard, and we will continue the fight for a fair and transparent marketplace."

- **Financial Risk**: In 2023, the estimated global cost of digital ad fraud was \$84 billion, and that figure is projected to more than double over the next five years (*Source: Juniper Research*).
- **Brand Reputational & Corporate Risk**: A lack of campaign buy transparency can mean that video ads may play in unsuitable or objectionable environments which can devalue brands.
- Legal Risk: Data leaks and breaches can break consumer trust and cost companies in fines from government entities.

Further, VAB calculated that the North American cost of digital ad fraud is roughly equivalent to the total national and local cable TV ad spend in the US. The report also closely examines Adalytics' three studies, all released in 2023, which delve into these issues.

Access the report here.

## ABOUT VAB

The Video Advertising Bureau (VAB)—whose members include the national TV networks alongside a broader community of influential media companies—plays a dual role in the video advertising industry. VAB is fiercely advocating for the changes that bring about a more innovative and transparent marketplace. VAB also provides the

insights and thought leadership that enables marketers to develop business-driving marketing strategies. Visit VAB online and access its continuously growing content library at <u>thevab.com</u>.

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