Desktop Click Fraud Benchmarks Report

Impact of Invalid Traffic (IVT) on Clicks Across Desktop Web Traffic

Q2 2023

pixalate

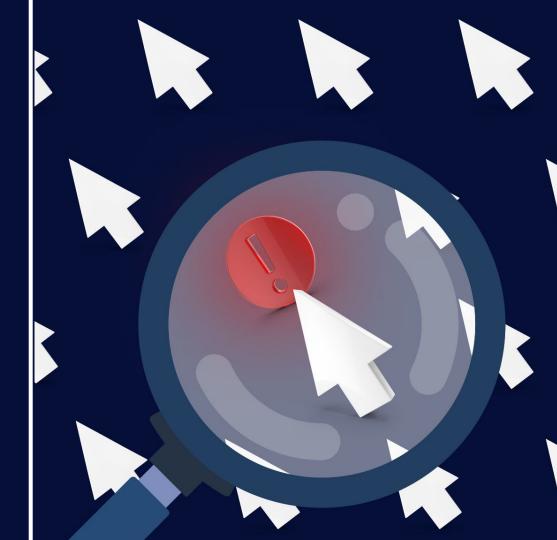


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A NOTE ON INVALID TRAFFIC (IVT)

Per the Media Rating Council (MRC), "Invalid Traffic' is defined generally as traffic that does not meet certain ad serving quality or completeness criteria, or otherwise does not represent legitimate ad traffic that should be included in measurement counts. Among the reasons why ad traffic may be deemed invalid is it is a result of non-human traffic (spiders, bots, etc.), or activity designed to produce fraudulent traffic." Where the traffic characteristics are suggestive of deliberate intent to mislead, such IVT is often referred to as "ad fraud."

Also per the MRC, "'Fraud' is not intended to represent fraud as defined in various laws, statutes and ordinances or as conventionally used in U.S. Court or other legal proceedings, but rather a custom definition strictly for advertising measurement purposes."

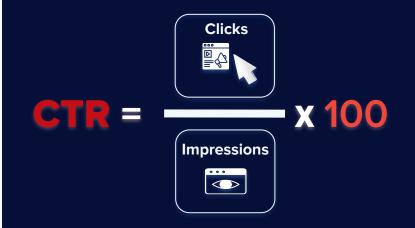
DEFINITIONS

CTR

CTR stands for Click-Through Rate. It is the ratio of clicks by a user to the number of times the ad was shown. It is essentially a measure of how frequently users appear to interact with an ad.

Click Fraud

Since click-throughs often drive a market premium, they are a common target for fraud schemes such as bot traffic. However, determining IVT (including fraud) for click traffic is challenging because regular click traffic and IVT click traffic look similar in many ways. In addition, mapping clicks to impressions is challenging due to timing considerations. However Pixalate is able to map clicks to impressions, and flag clicks for IVT using our Click Fraud Detection technology. Pixalate supports a number of click related IVT types that could be generated by suspicious users, ad creatives or publishers.



Types of click-related IVT opinions rendered by Pixalate:



Suspicious Users

- → Click Farm
- → Display Click Fraud
- → Video Click Fraud
- → Fast Clicker



Suspicious Ad:

→ Duplicate Clicks



Suspicious Publishers:

→ High CTR Traffic

Key Insights



21% of clicks on global Desktop Web traffic were invalid in Q2 2023



57% of invalid clicks in Q2 2023 were for Click Farm and Datacenter IVT



Health and **Entertainment** topped the charts for web categories with highest invalid click traffic.



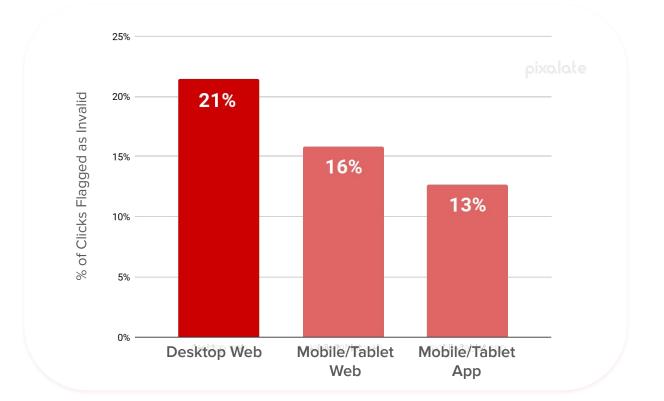
Colombia, Singapore, and Peru experienced the highest rates of invalid click traffic in Q2 2023





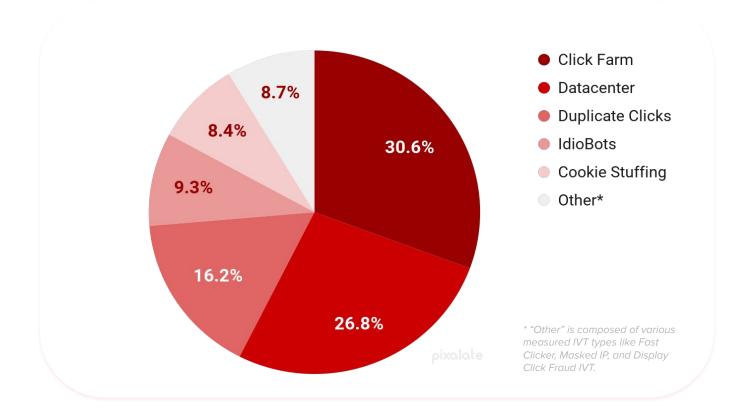
of clicks on global Desktop Web traffic in Q2 2023 were invalid according to Pixalate's data.

Click IVT Rate - Global Traffic - Q2 2023





Top IVT Types Associated with Desktop Web Click Traffic



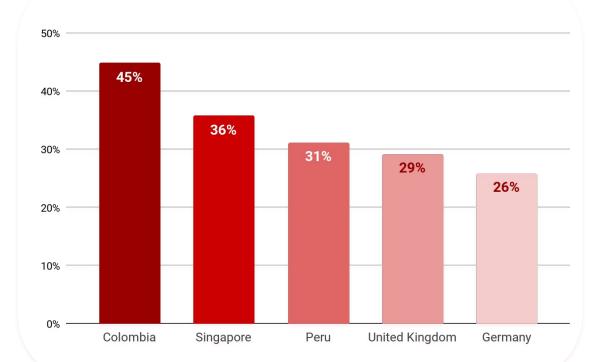




of desktop clicks originating from Colombia were invalid in Q2 2023, according to Pixalate's data.

Top 5 Countries Most Impacted by Desktop Web Click IVT



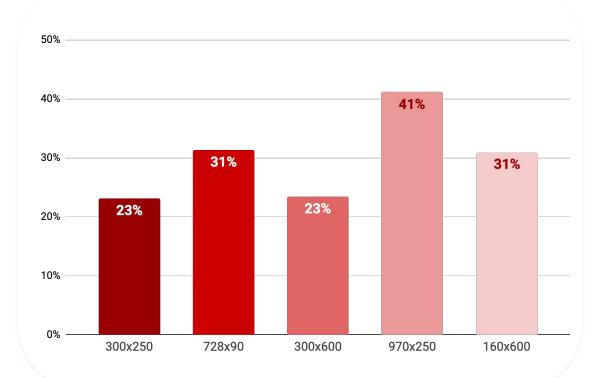




of clicks on the
970x250 ad size
in desktop traffic
were invalid in Q2
2023, according
to Pixalate's data.

Click IVT Rates on Popular Ad Unit Sizes



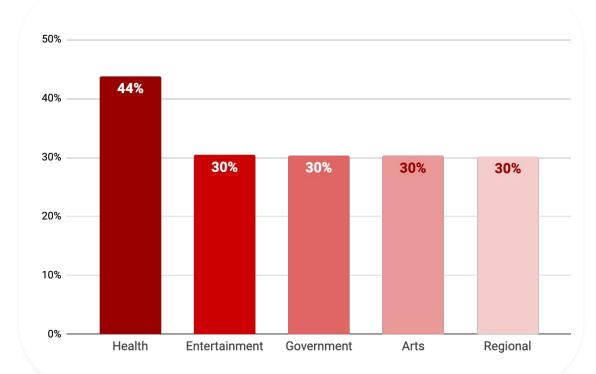




of clicks on ads from desktop web domains in the **Health** category were invalid in Q2 2023, according to Pixalate's data.

Top 5 Categories Most Impacted by Desktop Web Click IVT







APPENDIX: CLICK IVT TYPE DEFINITIONS

CLICK FARM

Impressions/Clicks originating from a purported user who has been flagged as being associated with click farm activity.

DISPLAY CLICK FRAUD

Clicks that are generated from the same browser or device at a statistically significant inflated rate.

VIDEO CLICK FRAUD

Video ad clicks that are generated from the same browser or device at a statistically significant inflated rate.

FAST CLICKER

Activity originating from users that generate clicks less than one second apart from their respective impression

DUPLICATE CLICKS

High volumes of clicks with the same "unique" identifier.

HIGH CTR TRAFFIC

Traffic associated with domains or apps demonstrating high-risk CTR behavior.

For more information regarding Pixalate's reported Invalid Traffic Types, please visit our knowledge base article.

DISCLAIMER

The content of this report reflects Pixalate's opinions with respect to factors that Pixalate believes can be useful to the digital media industry. Any data shared is grounded in Pixalate's proprietary technology and analytics, which Pixalate is continuously evaluating and updating. Any references to outside sources should not be construed as endorsements. Pixalate's opinions are just that, opinions, which means that they are neither facts nor guarantees. Pixalate is sharing this data not to impugn the standing or reputation of any entity, person or app, but, instead, to report findings and trends pertaining to privacy and information security practices and compliance across desktop web, the mobile web, and mobile apps in the time period studied.



ABOUT PIXALATE

Pixalate is the market-leading fraud protection, privacy, and compliance analytics platform for Connected TV (CTV) and Mobile Advertising. We work 24/7 to guard your reputation and grow your media value. Pixalate offers the only system of coordinated solutions across display, app, video, and CTV for better detection and elimination of ad fraud. Pixalate is an MRC-accredited service for the detection and filtration of sophisticated invalid traffic (SIVT) across desktop and mobile web, mobile in-app, and CTV advertising.



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