

openx

# The Economic Argument for Quality in Advertising

Andrew Buckman, MD EMEA OpenX



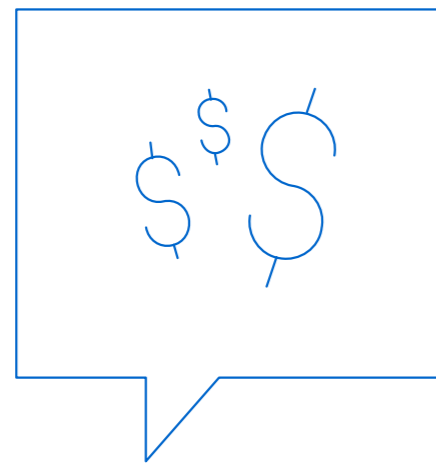
# Agenda

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1. Industry Perspective
2. How Big Is The Problem?
3. Virtuous Cycle & Economics of Policing
4. How To Manage Traffic & Ad Quality

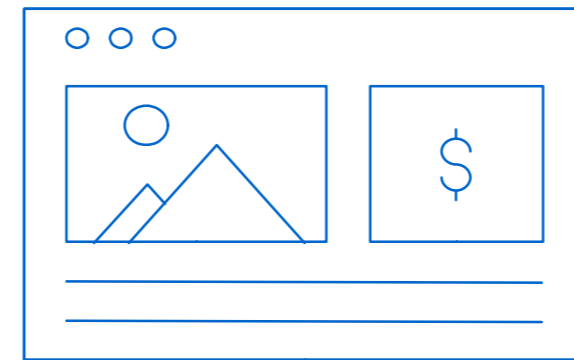
# Industry Perspective On Market Quality

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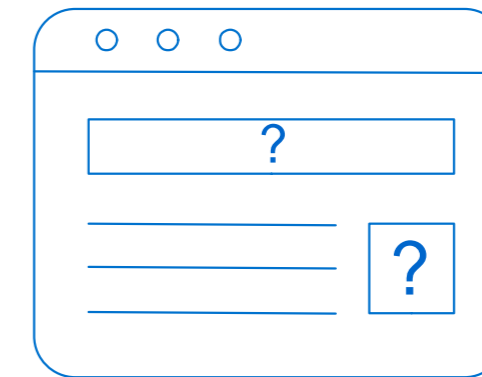
95%

Programmatic advertising offers good value for money



84%

If quality issues were resolved investment in programmatic would increase



94%

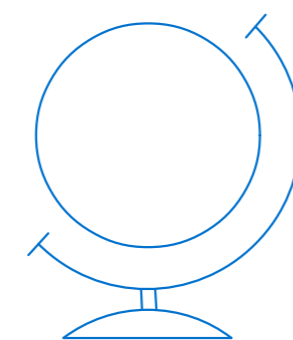
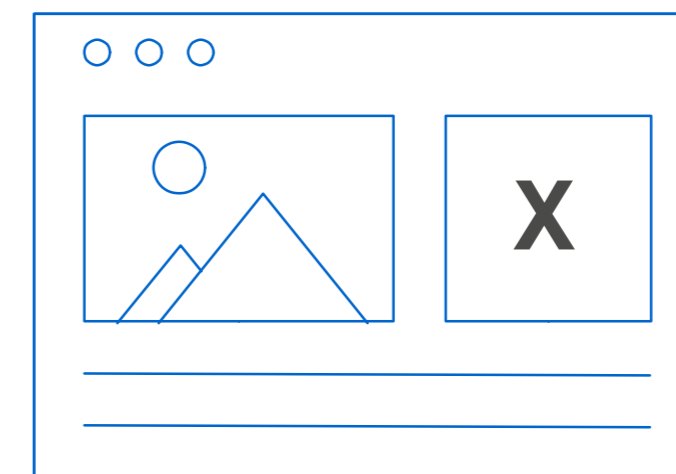
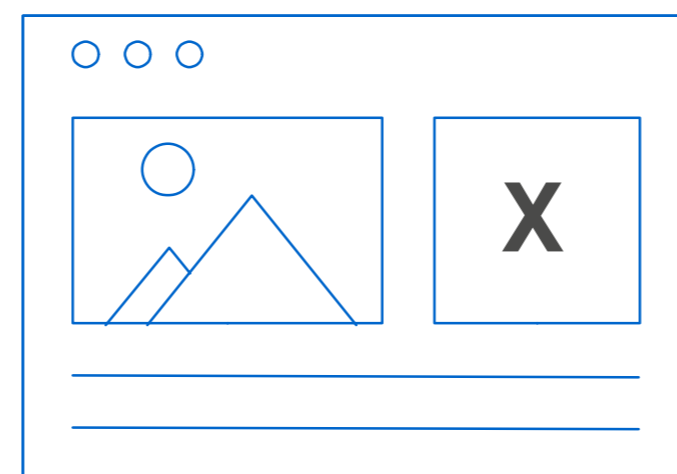
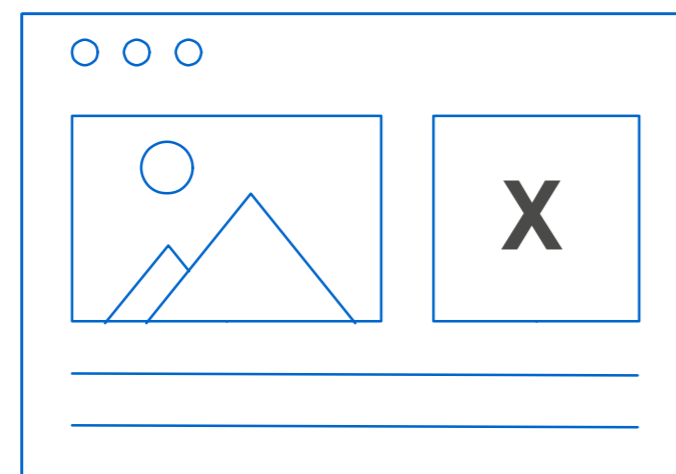
Marketplace quality is a serious issue in programmatic

# How Big Is The Problem?

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9.1%

Of online display ads are fraudulent in Europe

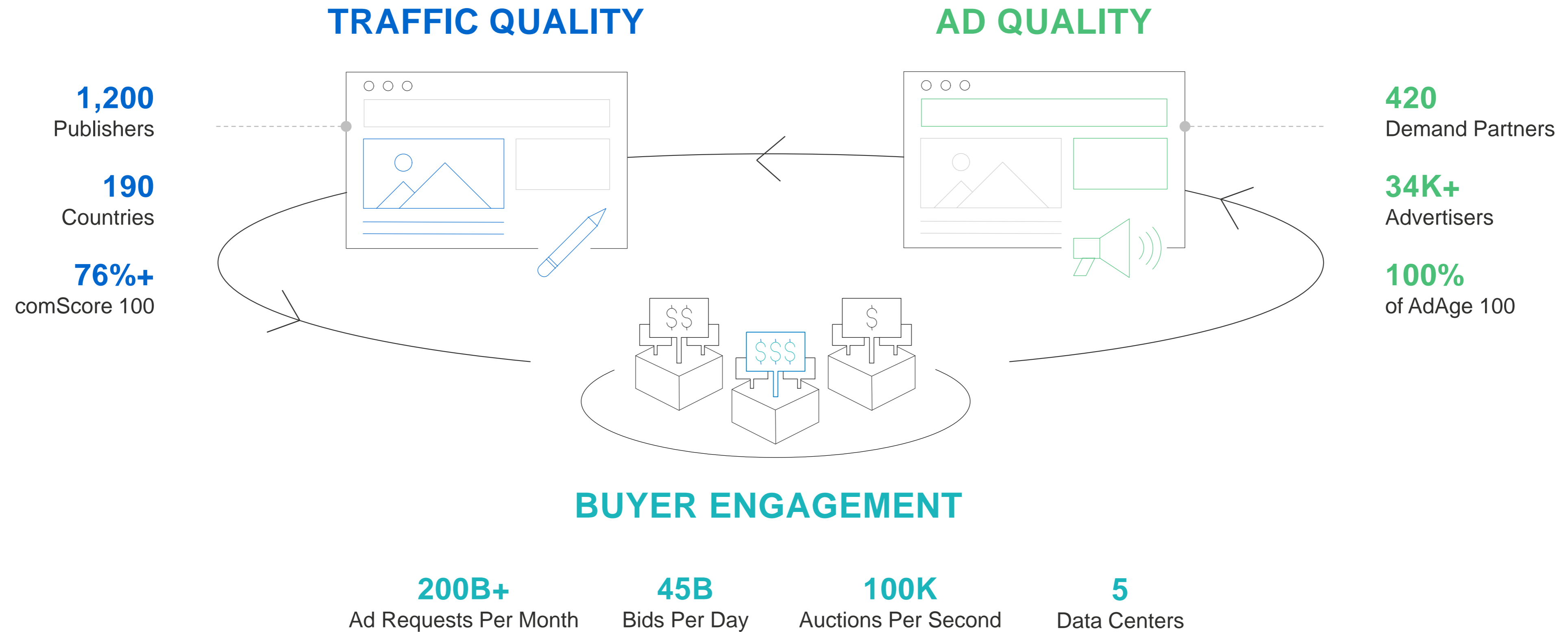


Global advertisers lost  
\$6.3 Billion to bots in 2015

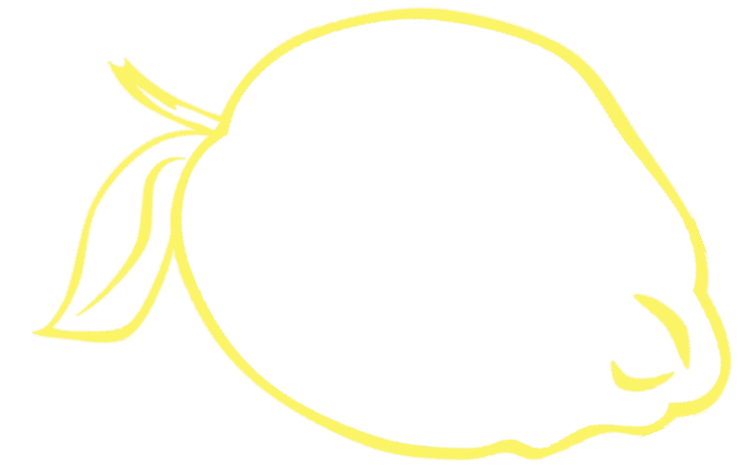
# Virtuous Cycle of Quality

Exchanges thrive on quality and scale.

We believe that translates into brand equity for advertisers and higher revenue for publishers.



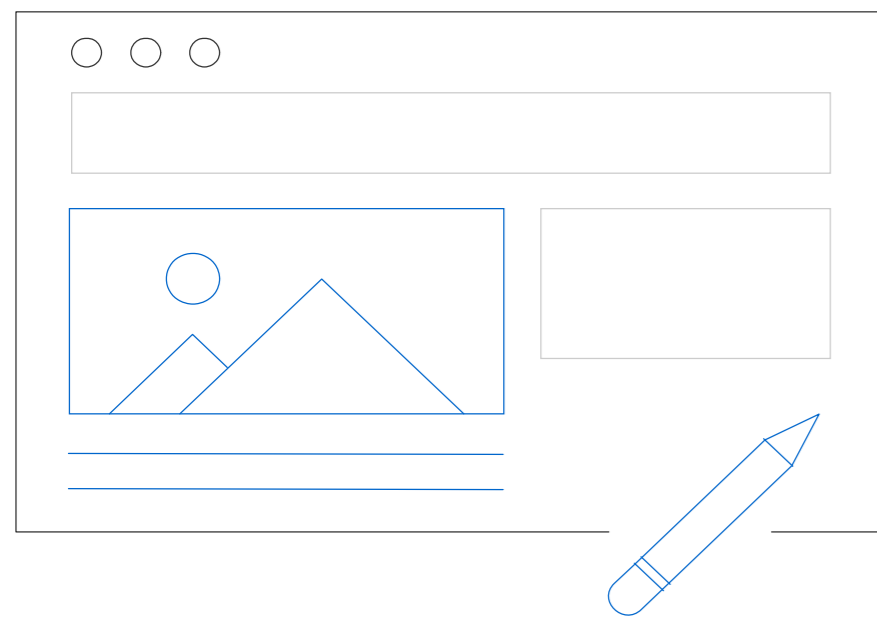
# Economics of Not Policing Marketplaces



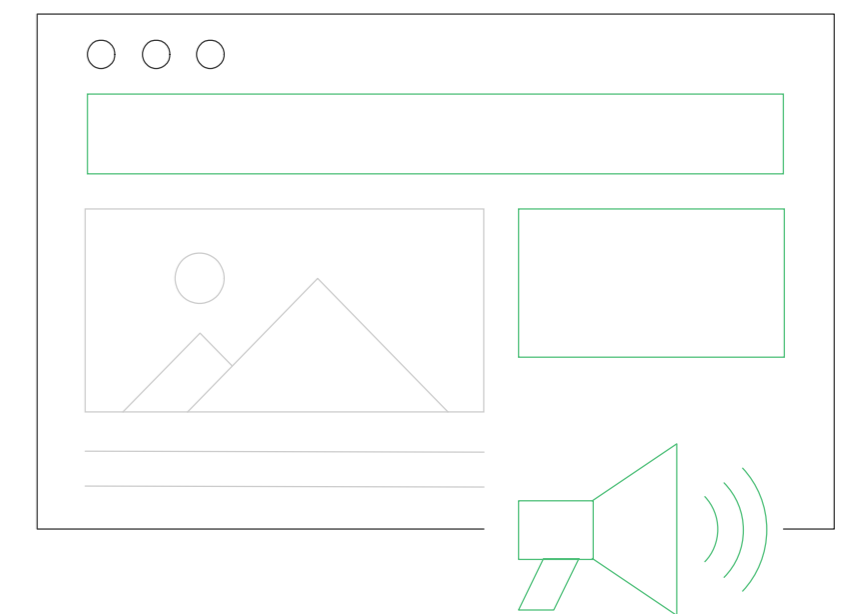
## LEMON THEORY

Introducing lower quality inventory and/or greater uncertainty (information asymmetry) leads to reduced seller differentiation. Higher quality inventory then flees and the market deteriorates.

### PUBLISHERS



### ADVERTISER



# How to Manage Traffic Quality Strictly & Proactively

## What is Traffic Quality?

**Brand Safety**  
Is the site safe?

**Fraud Detection**  
Is the traffic real?

**Viewability**  
Is the ad seen?

## How Do We Address?



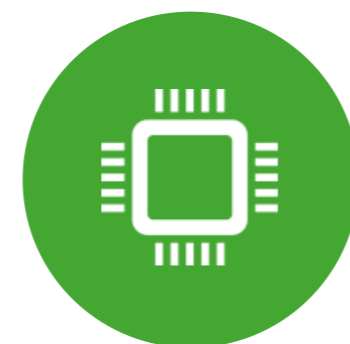
### Preventive Measures

One third of all sites fail to meet our quality standards



### Dedicated TQ Team

Reviews data, performs audits and ensures compliance



### Proprietary Technology

Real-time filtration system eliminates fraudulent traffic

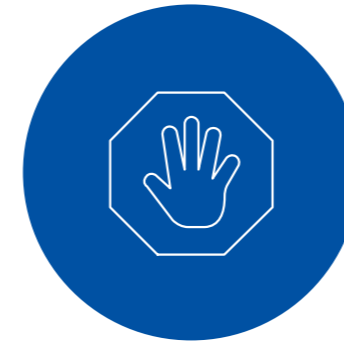
## What Is The Result?

**39%**  
Sites blocked

**99%**  
Transparent URLs

**10+B**  
Ad requests rejected due to fraud

# How We Manage Ad Quality Strictly & Proactively



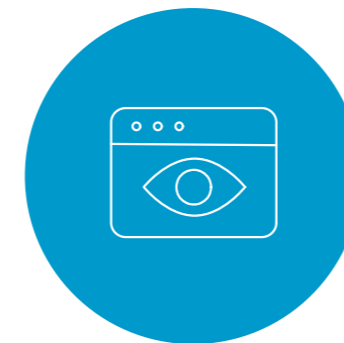
## Preventive Measures

Our in-house Ad Quality experts vet all demand partners and monitor creatives for compliance with our strict [Demand Policy](#).



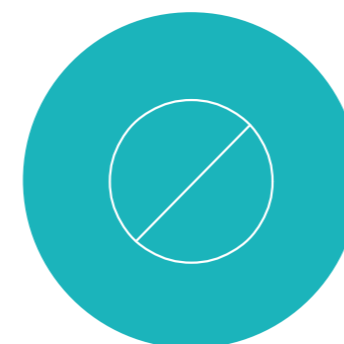
## Malware Protection

We augment our internal capabilities with best-of-breed third-party services like The Media Trust to continuously scan tags for malware, auto-audio and other issues.



## Creative Scanner

Continuously captures ads running on your sites and records all pertinent information about all ads.



## Creative Review Portal

Enables our ad quality team to ID and block unwanted ads.



# What Our Partners Say

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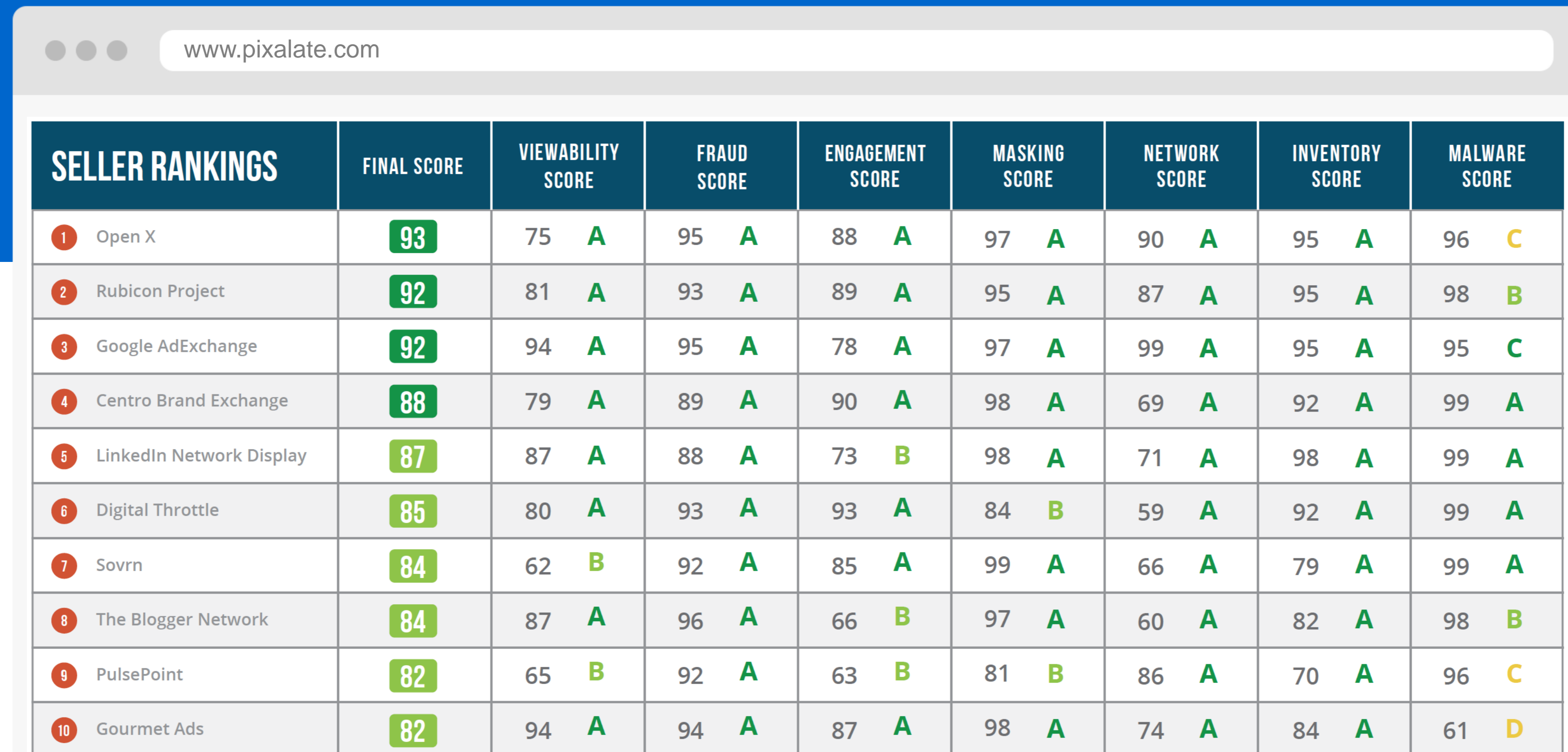
Condé Nast  
UK

“ We were confident working with a partner like OpenX because quality control is built into the foundation of their Ad Exchange, giving publishers the ability to systematically block individual buyers, creative and content categories.”

**Malcolm Attwells** | Digital Commercial Director

# Industry-Leading Quality Drives Value

Independently Accredited by the Trustworthy Accountability Group  
#1 Inventory Quality as Measured by Pixalate for 6 straight months



www.pixalate.com

SELLER RANKINGS	FINAL SCORE	VIEWABILITY SCORE	FRAUD SCORE	ENGAGEMENT SCORE	MASKING SCORE	NETWORK SCORE	INVENTORY SCORE	MALWARE SCORE
1 Open X	93	75 A	95 A	88 A	97 A	90 A	95 A	96 C
2 Rubicon Project	92	81 A	93 A	89 A	95 A	87 A	95 A	98 B
3 Google AdExchange	92	94 A	95 A	78 A	97 A	99 A	95 A	95 C
4 Centro Brand Exchange	88	79 A	89 A	90 A	98 A	69 A	92 A	99 A
5 LinkedIn Network Display	87	87 A	88 A	73 B	98 A	71 A	98 A	99 A
6 Digital Throttle	85	80 A	93 A	93 A	84 B	59 A	92 A	99 A
7 Sovrn	84	62 B	92 A	85 A	99 A	66 A	79 A	99 A
8 The Blogger Network	84	87 A	96 A	66 B	97 A	60 A	82 A	98 B
9 PulsePoint	82	65 B	92 A	63 B	81 B	86 A	70 A	96 C
10 Gourmet Ads	82	94 A	94 A	87 A	98 A	74 A	84 A	61 D



Thank You

[www.openx.com](http://www.openx.com)

