



DoubleVerify

Trust Index

Insights, Benchmarks and Findings on
Online Advertising Compliance 1H 2011

575 8th Avenue, 7th Floor, New York, NY 10018
Tel: 212.631.2111 | www.doubleverify.com

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Overview

The DoubleVerify Trust Index is a free, biannual report that establishes online advertising industry compliance benchmarks. The report aims to help advertisers, agencies, publishers, networks and platforms evaluate the performance of online display advertising campaigns relative to industry norms, providing insight into compliance and brand safety across the industry. It is derived from a robust set of metrics across campaigns witnessed by DoubleVerify using a data set that includes hundreds of advertisers, thousands of verified campaigns and billions of advertising impressions.

Now in its third installment, the Trust Index represents activity observed across a wide range of display advertising campaigns between January and June 2011. For greater context, the report includes historical data gathered over the past 18 months and compares findings from this report to prior analysis.

The Trust Index highlights the most compliant advertising networks and platforms in the market. The findings were based on networks, platforms and publishers on which advertisers ran verified campaigns with DoubleVerify. Performance was compared with benchmarks for specific types of noncompliance including inappropriate content, ad placement and geographic targeting.

The data in this report is intended to inform the industry and is in no way an endorsement of any network, platform, publisher or industry player listed.



Key Findings

Verification continues to have a positive effect on the online advertising industry's ability to comply with advertisers' standards and preferences. Adoption of verification continues to grow—more than 200 Fortune 500 advertisers now employ DoubleVerify's technology on their campaigns and many leading networks and platforms are proactively integrating DoubleVerify's verification solutions into their advertising systems.

DoubleVerify currently verifies over 50 billion impressions each month. The continued growth in verification adoption has driven an increase in transparency among advertisers and their partners, resulting in an overall decrease in levels of noncompliance.

Effectively managing brand safety is a constant, ongoing effort for advertisers. Running a campaign on the most compliant networks or platforms is an important first step toward total brand safety. Additionally, campaign-wide verification optimizes campaigns by reducing the overall amount of incidents.

Advertisers who worked with DoubleVerify over the entire campaign lifecycle to block, monitor and remediate noncompliant impressions witnessed the following performance changes:

- ✓ A 53% decrease in inappropriate content
- ✓ An 86% decrease in geographic targeting incidents

Networks, platforms (DSPs, ad exchanges and trading desks) and publishers all witnessed decreased levels of noncompliance in the first half of 2011. In fact, even the lower-performing groups of advertising networks and platforms saw lower levels of noncompliance and less variability in campaigns they served. Advertising verification through monitoring, reporting, blocking and remediation is improving the health of the online advertising ecosystem and making it a more compliant and trusted environment for all players.

Networks

The compliance rates measured in the first six months of 2011 represent the lowest noncompliance rates ever measured for advertising networks. The top-performing networks had an average noncompliance incident rate of 0.6% and the middle tier had an average rate of 5%. The bottom tier of networks saw a drop from 35% to 26% compared to the second half of 2010. All tiers experienced drops in noncompliance and campaign variability when compared to prior periods. These numbers demonstrate that verification leads to ad networks with lower noncompliance rates and increased campaign consistency.

Platforms

The most compliant ad platforms had an average noncompliance incident rate of 4%. This rate was consistent with prior periods examined. The lower tier of players had an average noncompliant incident rate of 20%. The variability per campaign was equal between the top- and bottom-performing tiers. The campaign average and standard deviation for the best-performing platforms did not change significantly between the second half of 2010 and the first half of 2011.

Publishers

Geographic targeting compliance continues to vary among publishers. Top- and middle-performing tiers show little difference in noncompliance rates, while the bottom-performing tier shows significantly higher levels of noncompliance and campaign variability. The top-performing publishers saw an average rate of 0.1% for campaign impressions served outside of targeted countries with a standard deviation of 3%. The bottom-performing publishers saw an average rate of 18% for campaign impressions served outside of targeted countries with a 12% standard deviation. Bottom-performing publishers saw moderate decreases in both the average noncompliant incident rates and standard deviation for campaigns from the second half of last year.



Advertising Network Compliance Landscape

DoubleVerify analyzed campaigns across more than 150 advertising networks over the first six months of 2011. The graphs below show the 50 largest networks in terms of the amount of impressions verified.

Key Findings:

- ✓ The top 10 most compliant advertising networks showed an average noncompliant incident rate of 1% with a standard deviation of 4% across campaigns
- ✓ The middle 30 compliant networks showed an average noncompliant incident rate of 5% with a standard deviation of 14% across campaigns
- ✓ The 10 networks that struggled most with compliance showed an average noncompliant incident rate of 26% with a standard deviation of 27% across campaigns

The continued growth in verification adoption has driven an increase in transparency among advertisers and their partners, resulting in an overall decrease in levels of noncompliance

Networks	1H 2011		2H 2010	
	Avg	Std Dev	Avg	Std Dev
Top	0.6%	4.0%	1.5%	8.8%
Middle	4.7%	14.3%	9.2%	19.3%
Bottom	25.5%	26.7%	35.1%	38.4%

Figure 1: 1H 2011 Ad Network Noncompliance
Average and standard deviation

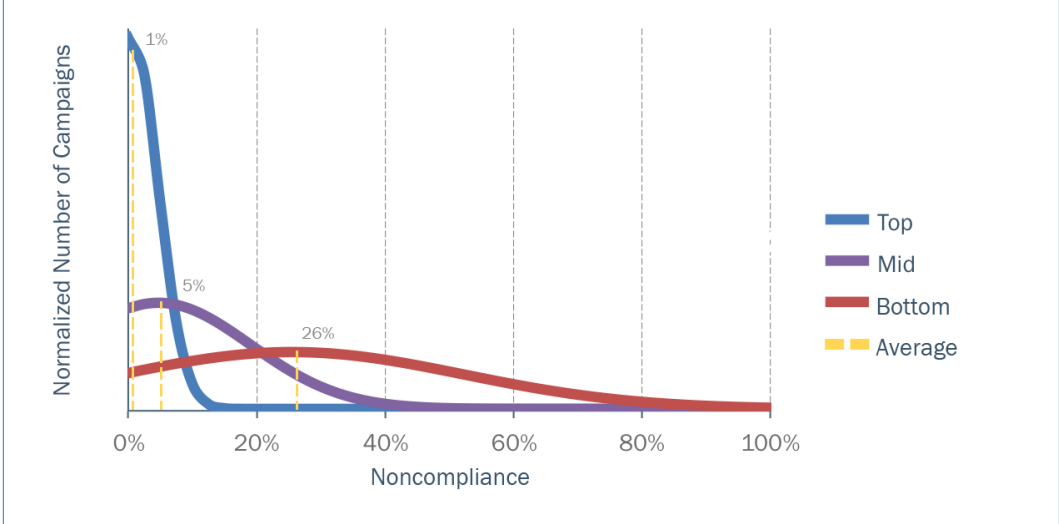


Figure 1 shows the 50 largest networks in terms of impressions. The top-performing bell graph shows a very low average noncompliance rate and small range of campaign variability. This contrasts with the wide bell graph for the bottom-performing group, which shows a large range of noncompliance.

Source: DoubleVerify campaign analysis, January – June 2011

Figure 2: 1H 2011 Ad Network Noncompliance

Average and range of noncompliance

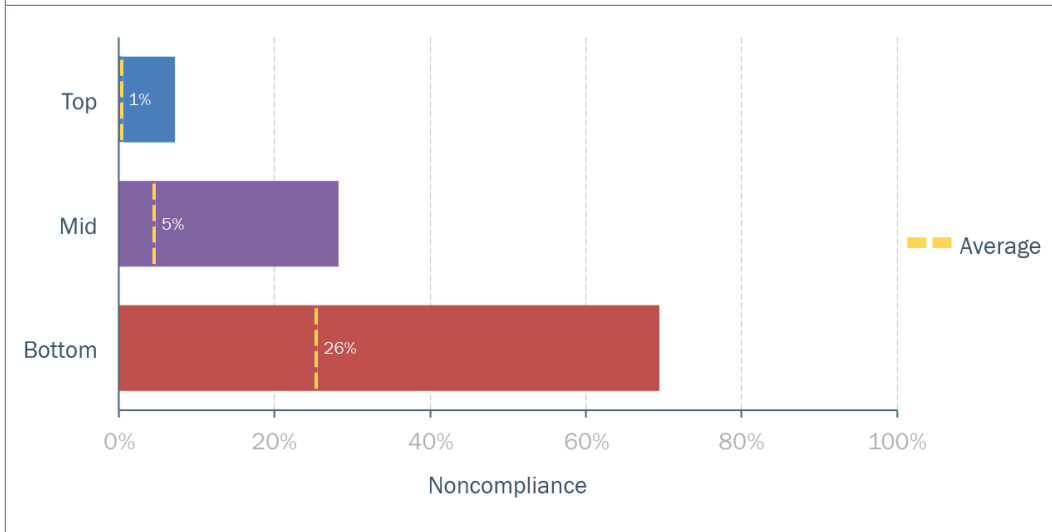


Figure 2 shows the average and range of noncompliance for the 50 largest advertising networks in terms of verified impressions.

Source: DoubleVerify campaign analysis, January - June 2011

Figure 3: 1H11 - 1H10 Ad Network Noncompliance

Average and range of noncompliance

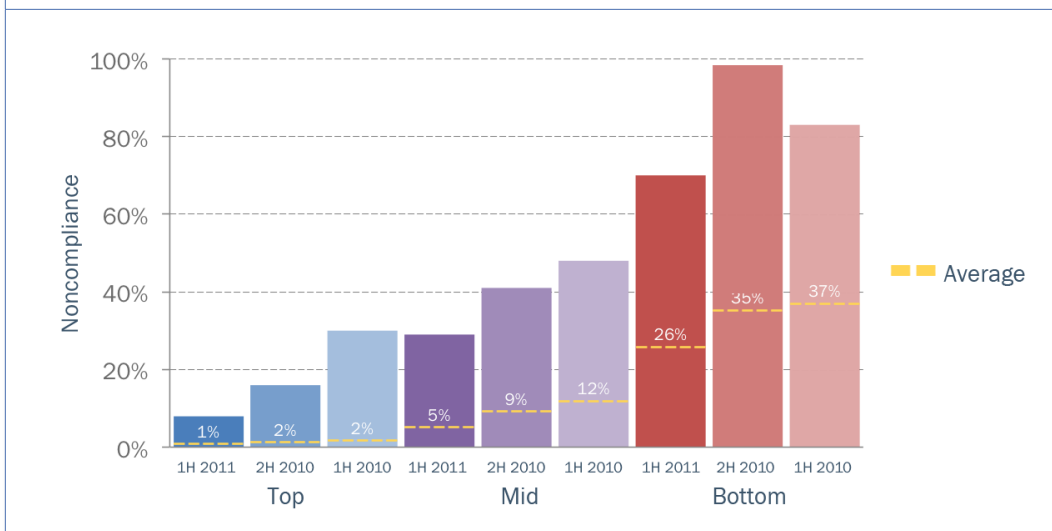


Figure 3 compares the range of the amount of noncompliant incidents between the last three six-month periods, from 1H 2010 to 1H 2011.

Source: DoubleVerify campaign analysis, January 2010 - June 2011

Most Compliant Advertising Networks

The networks listed below are the top ten most compliant advertising networks.¹ These networks were selected based on a number of compliance criteria including the number of verified impressions along with the overall percentage of the following incidents: inappropriate content, off white list, on black list and incorrect geographic targeting. The list below is ordered alphabetically:

- ✓ AudienceScience
- ✓ Casale Media
- ✓ Dedicated Media
- ✓ Epic Marketplace
- ✓ interclick
- ✓ Microsoft Media Network
- ✓ Specific Media
- ✓ Spectrum, A Centro Product
- ✓ Undertone
- ✓ Yahoo! Network Plus

¹ Networks mentioned in this report were done so with their permission.

Platform Compliance Landscape

DoubleVerify analyzed campaigns across more than 30 platforms over the first six months of 2011. The graphs below show the 13 largest platforms in terms of the amount of impressions verified.

Key Findings:

- ✓ The top-performing platforms showed an average noncompliant incident rate of 4% with a standard deviation of 17% across campaigns
- ✓ The bottom-performing platforms showed an average noncompliant incident rate of 20% with a standard deviation of 17% across campaigns

The top-performing platforms showed an average noncompliant incident rate of 4% with a standard deviation of 17% across campaigns

Platforms	1H 2011		2H 2010	
	Avg	Std Dev	Avg	Std Dev
Top	4.3%	16.7%	2.7%	6.1%
Bottom	20.4%	16.7	25.5%	21.0%



Figure 4: 1H 2011 Platform Noncompliance

Average and standard deviation

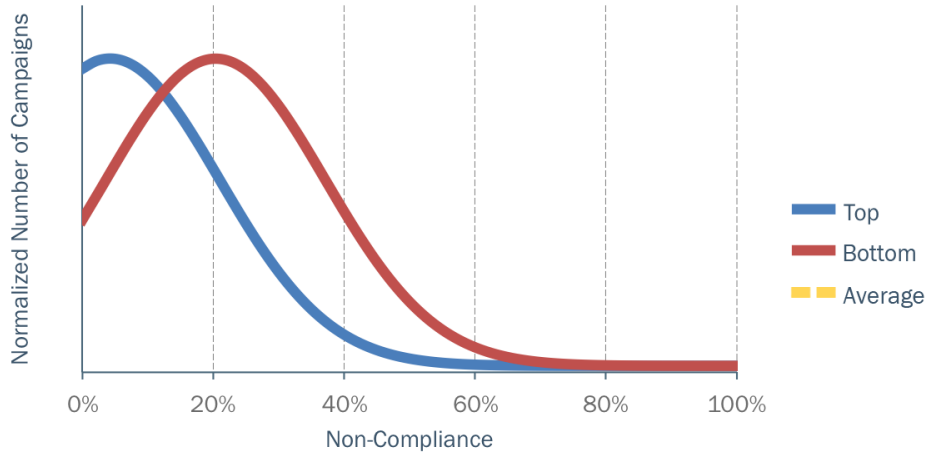


Figure 4 shows the 13 largest platforms in terms of impressions. The top- and bottom-performing groups have different average levels of noncompliance with identical deviations, which result in identically shaped bell graphs.

Source: DoubleVerify campaign analysis, January – June 2011

Figure 5: 1H 2011 Platform Noncompliance

Average and range of noncompliance

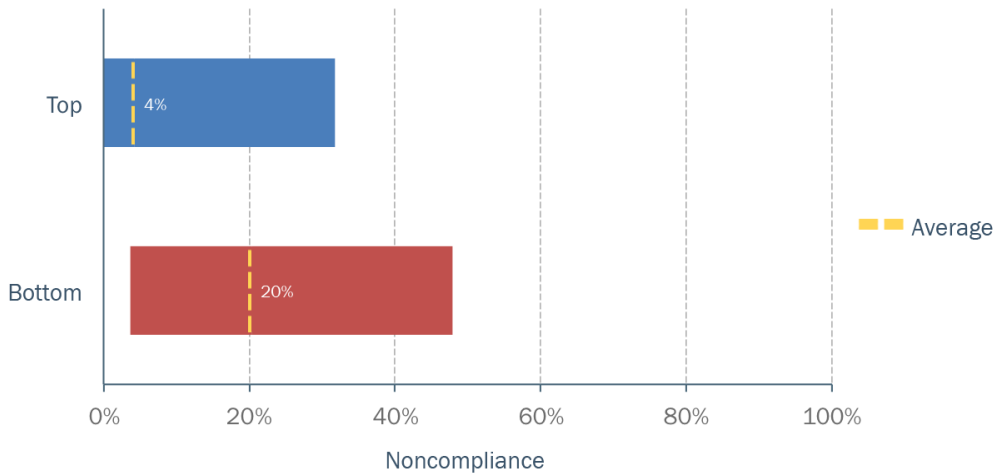


Figure 5 shows the average and range of noncompliance for the 13 largest platforms in terms of impressions.

Source: DoubleVerify campaign analysis, January – June 2011

Figure 6: 1H11 – 1H10 Platform Noncompliance

Average and range of noncompliance



Figure 6 compares the range of noncompliant incidents between the last three six-month periods, from 1H 2010 to 1H 2011.

Source: DoubleVerify campaign analysis, January 2010 – June 2011

Most Compliant Platforms

The platforms listed below are the top three most compliant platforms.² These platforms were selected based on a number of compliance criteria including the number of impressions verified for noncompliance along with the overall rate for the following incidents: inappropriate content, off white list, on black list and incorrect geographic targeting. The list below is ordered alphabetically:

- ✓ DataXu
- ✓ Invite Media
- ✓ The Mig's Zeus Advertising Platform

¹ Platforms mentioned in this report were done so with their permission.

Publisher Compliance Landscape

DoubleVerify analyzed traffic outside of geographic targeting parameters among 227 premium publishers throughout the first six months of 2011. The graphs below show results from the 227 largest publishers in terms of impressions.

Key Findings:

- ✓ The top-performing publishers showed an average geographic targeting incident rate of 0.1% with a standard deviation of 3% across campaigns
- ✓ The middle group of publishers showed an average geographic targeting incident rate of 1% with a standard deviation of 4% across campaigns
- ✓ The publishers that struggled most with geographic targeting compliance showed an average incident rate of 18% with a standard deviation of 12% across campaigns

The publishers that struggled most with geographic targeting compliance showed an average incident rate of 18% with a standard deviation of 12% across campaigns

Publishers	1H 2011		2H 2010	
	Avg	Std Dev	Avg	Std Dev
Top	0.1%	3.4%	0.01%	5.7%
Middle	1.4%	3.7%	4.9%	7.1%
Bottom	17.8%	11.7%	39.5%	18.1%

Figure 7: 1H 2011 Publisher Geographic Targeting Noncompliance
Average and standard deviation

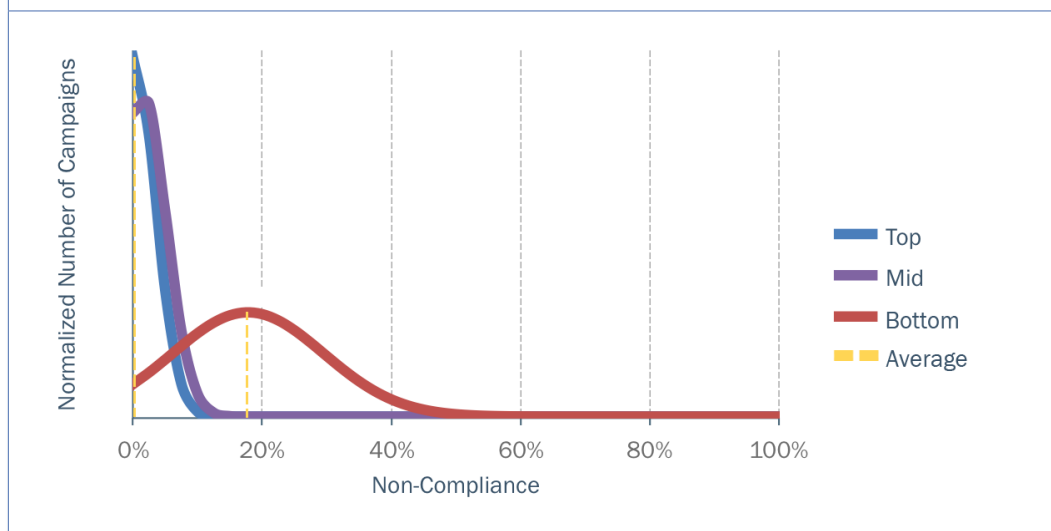


Figure 7 shows the 227 largest publishers in terms of impressions. Top- and middle-performing groups have very similar looking distributions, but the bottom-performing group has a much lower average level of noncompliance and much wider distribution of noncompliance.

Source: DoubleVerify campaign analysis, January - June 2011

Figure 8: 1H 2011 Publisher Geographic Targeting Noncompliance

Average and range of noncompliance

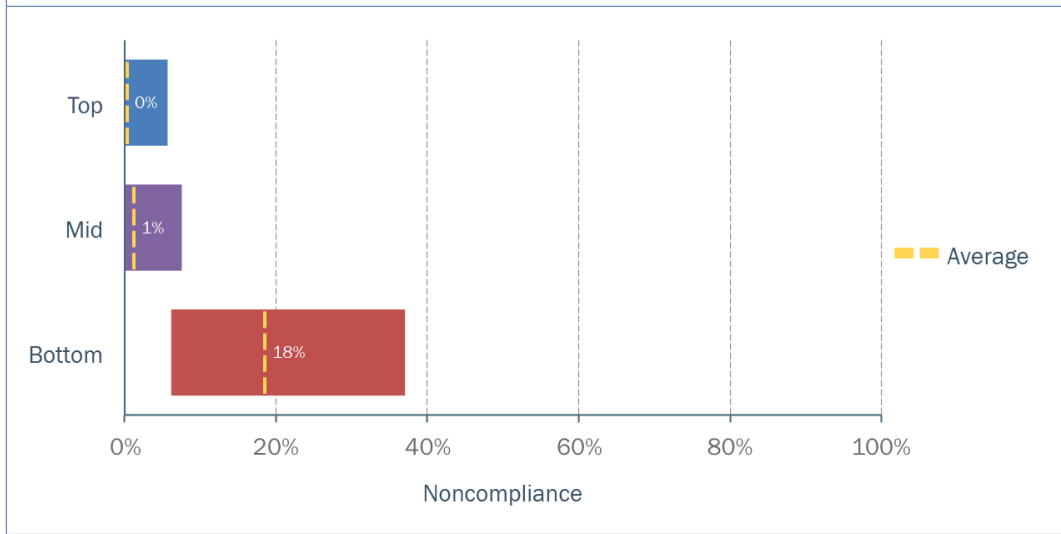


Figure 8 shows the average and range of noncompliance for the 227 largest publishers in terms of impressions.

Source: DoubleVerify campaign analysis, January – June 2011

Figure 9: 1H11 – 1H10 Publisher Geographic Targeting Noncompliance

Average and range of noncompliance

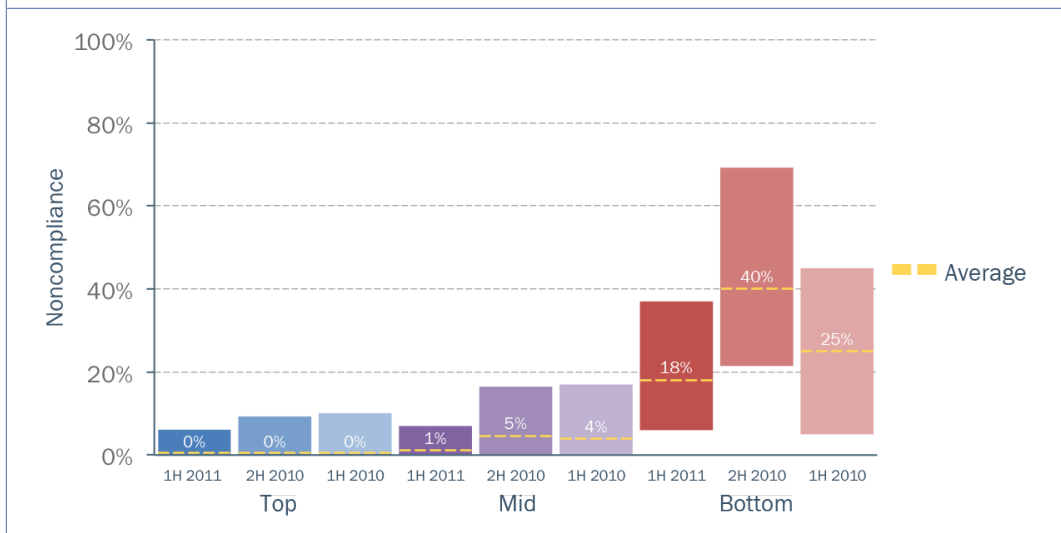


Figure 9 compares the range of geographic targeting incidents between the last three six-month periods, from 1H 2010 to 1H 2011.

Source: DoubleVerify campaign analysis, January 2010 – June 2011

Ad Placement Delivery Benchmarks

DoubleVerify's AdAssure solution monitors compliance across a variety of incidents pertaining to standard ad placement and insertion order stipulations. The following table illustrates the overall advertising delivery norms for the first half of 2011 across verified campaigns:

	1H11	2H10	1H10
Ads served below the fold	47%	37%	44%
Pages serving multiple ads for the same campaign	14%	11%	10%

Methodology

DoubleVerify used a robust set of data analysis tools to analyze online advertising campaign activity across more than 150 billion advertiser campaign impressions from January 1, 2011 to June 30, 2011. Multiple types of incidents were analyzed; including instances of ads served off white lists, on black lists, alongside inappropriate content, multiple ads from the same campaign served on the same page, ads served below the fold and ads served to users outside geographically targeted audiences. Incidents were then weighted according to the severity of the impact that the incident had on the brand's compliance score.

The data in the analysis was carefully normalized to the best of our ability. Advertising delivery providers were categorized into three main categories: advertising networks, platforms (DSPs, ad exchanges and trading desks) and publishers. Impression thresholds were applied to each group to ensure the highest level of accuracy.

To fully understand the industry compliance landscape, the DoubleVerify Trust Index accounts for the fluctuation of each player's performance across campaigns. The standard deviation shows the amount of variation from the average. A low standard deviation indicates that a group's campaigns had compliance levels that were very close to the average. A high standard deviation indicates that compliance levels in that group's campaigns were spread over a large range of noncompliance. To ensure accurate representation, extreme results were eliminated at both the bottom and top levels of noncompliance and the 90% range of normalized noncompliance displayed in each bar graph. Normalized noncompliance is determined using average network-level noncompliance rates and standard deviation is based on average campaign-level noncompliance rates.



About DoubleVerify

DoubleVerify is the pioneer of third-party online media verification. Our mission is to bring trust, accountability, transparency and compliance to online advertising to drive the entire industry forward. Uniquely positioned at the nexus of the digital advertising industry, we work with the largest publishers, agencies, advertisers, ad networks, ad exchanges and demand-side platforms to verify the correct placement and display of every single impression of an online advertising campaign. DoubleVerify has partnered with all major ad networks and more than 200 Fortune 500 brands. We are the only verification company certified by all major portals.

We are focused on staying one step ahead of noncompliance, inaccuracy and rogue industry players trying to game the system. We work to keep brands and networks safe, advertisers confident and online advertising more accountable and trusted. Our world-class technology and best-in-class client services provide a complete solution for our customer base.

Investors in DoubleVerify include JMI Equity, Blumberg Capital, Institutional Venture Partners, First Round Capital and Genacast Ventures. DoubleVerify is headquartered in New York City with sales offices in London and engineering offices in Tel Aviv, Israel.

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<http://www.doubleverify.com/resources/trustindex>

DoubleVerify

dvsales@doubleverify.com

575 8th Avenue, 7th Floor

New York, NY 10018

www.doubleverify.com