

W H I T E

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**WHITE PAPER
ON DIGITAL COMMUNICATION**

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Introduction

Communication needs to live up to its promises. 2017 should have been the year of the first White Paper on transparency of communication and on digital investments, and we are here today to present it.

An effort on digital communication that faces many unresolved issues. Assocom, FCP, Fedoweb, Fieg, lab, Netcomm, Unicom and UPA worked together in a successful and cooperative way. The result is a publication, an effort of agreement, an answer to the widespread demand for clarity, certainty and trust for online advertising. This group of eight associations representing advertisers, creative and media agencies, sales houses, publishers, ad tech companies and merchants generated a useful handbook, a solid guide, a map of general rules for the whole market that will be constantly updated to keep up with the evolution of the market and of technology.

The White Paper mainly deals with measurement of the advertising, a topic that has become fundamental for a medium that offers a number of indicators which is incomparable with offline media.

The White Paper focuses on Ad Verification: Viewability, Ad Fraud, Brand Safety, the foundations for KPIs, attribution models and cross device measurement.

The White Paper highlights rules as: third party certified measurement tools, standard reports to ease the comprehension of campaign's data, the acknowledgement of technical limitations for Viewability measurement, fierce battle against fraud and illegal websites funding through advertising.

It also reminds the importance of context in advertising: reaching people without adequate security of business practices leads to a preventable backfire.

It reminds the importance of context for society too: fights for civilization and democracy, like the current one on fake news, can be supported with careful advertising planning.

It also focuses on another keyword, maybe the most important of all: transparency! Transparency on the roles of an industry involving media knowledge, technology and data managements skills, transparency on the financial flows of programmatic buying, transparency on investment data. Transparency to equalize digital and traditional media and focus on value creation for brands and branding goals.

The White Paper also deals with users and their user experience, embracing results of the research “The state of the art of ad-blocking in Italy¹” promoted by advertising associations and looking for solutions capable of maintaining the sustainability of business models based on digital adv. This model is extremely important in preserving freedom of the press, variety of ideas and high quality contents that can be accessed for free or at low costs for the users of the Internet.

One important clarification: the White Paper is an authoritative opinion. Facts become rules when purposes and principles are shared. This book contains the guidelines that should be observed to achieve a healthy competition and to define the social responsibility of the market participants.

With this book we think we highlighted a direction to follow in order to improve the ability to face the digital communication.

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1 <http://www.idas-italia.org/wp-content/uploads/2017/02/Lo-stato-dellarte-dellad-blocking-in-Italia-II-Wave-versione-media.pdf>

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**V I E
W A B
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Viewability

Definition

Viewability is an indicator counting the number of impression that can potentially be seen for a certain campaign, using a standard based on two main indicators: the % of visible area of an ad and the number of consecutive seconds in view.

Over the past years this indicator has become more and more important, as it offers a more accurate information in terms of OTS (opportunity to see) than served impression.

Though viewability might be a really important indicator for many campaigns when it comes to planning, controlling and buying, it doesn't make other indicators useless, e.g. impact, performance, attribution models, ROI definitions, etc. for different campaign KPIs.

Talking about video adv formats, viewability can be integrated by the completion rate, which is the % of fully viewed videos (or analyzed by quartile). The measurement of this indicator is not part of this document.

Viewability makes sense if it is measured by independent certified companies, observing the rules set by the working table, with no connection with the seller or the buyer.

Measuring viewability (and viewability on target, which will not be included in this first version of the White Paper) is one of the main ad verification services on the market, checking the quality of the placement of an online advertising campaign.

Viewability measurement must be supported with other essential services:

- Invalid traffic check;¹
- “Illegal websites related” url check;²
- “Not-in-plan” URL check.²

Monitoring invalid traffic, in particular, is fundamental for two reasons: because it is related to bad practices that could twist the market and affect % of viewability, and because it might have really high viewability rates.

Additional indicators might be:

- Geographic check (Out of geo serving);
- check of websites url that are not compliant with advertiser’s policy;²
- check of contents not compliant with company policy - content verification.²

You can read more on ad verification services in Box 2 on page 14.

Viewability standard

With regard to the viewability standard, the associations involved in the production of the White Paper are still working on analyses and verifications that can bring a scientifically validated result in terms of length in seconds and standard pixel % for campaigns served in Italy.

Principles of certification for measurement companies

It is crucial that viewability measurement is made:

1. by **third companies** with respect to advertisers and media owners, **independent and certified**, in order to guarantee impartiality of the measurement;
2. using a **standard report** in order to reduce as much as possible the discrepancies in the collected data.

1 [See Ad Fraud chapter, at page 37.](#)

2 [See Brand Safety and Brand Policy chapter, at page 40.](#)

Data certified in autonomy by the publisher/media platform or verification modes by third party companies but based on publisher's data – without the inclusion of third party tags on the publisher/platform's webpage are not compliant with this definition.

The working table produced a document listing the first principles of certification based on the desired criteria of the Italian market (see Box1).

Box 1

Principles of certification for companies measuring viewability

It is crucial that viewability measurement is made by third parties different from advertisers and media owners, independent and certified, in order to guarantee impartiality of the measurement, using a standard report in order to reduce as much as possible the discrepancies in the collected data.

Therefore, data certified by the publisher/platform – or produced by third party companies but based on publisher's data – without the inclusion of third party tags on the publisher/platform's webpage are not compliant with this definition.

In view of this, the certification criteria of the companies that provide viewability measurement are the following.

1. Technological coverage

Technology shall be capable of supporting measurement for the main browsers used in Italy, equal to at least 95% of national online traffic. Technology shall support the main browsers for all versions released over the past five years. The list is not exhaustive and will be revised periodically.

Browser:

- Chrome;
- Internet Explorer;
- Safari;
- Firefox;
- Edge.

2. Measurement perimeter

Technology shall be able to reliably measure on desktop, on mobile and in-app.

3. Measurement metrics

- Only the advertisement must be measured.
- Technology shall be able to measure any percentage of viewability in the advertisement area and, once defined the viewability percentage, any continuous viewable amount of time of the advertisement.
- The percentage of visible area of the advertisement must be calculated before starting the time measure.
- Impression must be counted only once for every page view; additional views of the ad can only increase the measure of time, not the viewable impression.
- Proxy metrics for engagement, like clicks or scrolling, cannot replace direct measurement on the ad.

4. Measurement

- Count should be on client side.
- The reference point for measurement should be the visible area of a browser. The visible area of a browser should be an active window or tab.
- Technology has to combine a geometric approach with browser optimization.
- Measurement must be based on census data. No estimation based on impression samples.
- Viewability measurement shall be post-delivery: full render of the ad for display formats, first frame render for video ads.
- Cache-busting techniques must be defined.
- Technology shall measure time on a 100 ms basis for banners and 200 ms basis for video ads.
- Invalid activity (both human and non human) shall be filtered following the “Invalid traffic detection and filtration addendum”³ MRC – Media Rating Council – guide lines.
- Count shall filter out out-of-geo impression.
- Count shall filter out impression on site not in plan or not

3 [http://mediaratingcouncil.org/101515_IVT%20Addendum%20FINAL%20\(Versions%201.0\).pdf](http://mediaratingcouncil.org/101515_IVT%20Addendum%20FINAL%20(Versions%201.0).pdf)

safe according to the agreement between the parties (blacklist/whitelist and/or content verification tools).

- Meters shall declare the level of measurability of i-frames on third party domains, in particular: if the ad has actually been served in the iframe; if the ad was fit for the i-frame, if it was actually visible following the metrics described in point 3. Coverage for the ads served in iframes shall be at least 90%.
- Viewability measurement technologies shall have specific protections in order to avoid unauthorized third party modification or control over the measurement code. They should also guarantee that data are not altered during transmission between the client browser and the counting server using appropriate encryption systems.
- Technology shall be compliant with European laws on privacy.

5. Notes regarding some formats

To this day, there are some formats (skin, expandable) that different players measure in different ways with results that are not fully consistent. It is therefore impossible to have guidelines and standards on these formats nowadays. New measurement techniques will be needed.

With regard to video formats, VAST before version 4.0 is not measurable in terms of viewability, while the following formats are measurable:

- VAST 4.0 for HTML 5 and Flash;
- VPAID for FLASH;
- VPAID JS for HTML 5.

In-app viewability measurement is made through SDK, which requires a specific technical setting for each app and campaign.

Once the principles are defined, our future goal is to entrust certification to an independent Italian or European certification authority.

In the meantime, all parties recognize viewability measurements made by third party measurement companies certified by MRC (ABC for desktop) as valid, waiting for national/European regulations.

It should be noted that certification, all things being equal, does not automatically guarantee for uniformity of results between different companies. Anyway, it hopefully helps to reduce the level of divergences that may be very broad.

Box 2

Map of the Ad Verification services available in Italy

The map only indicates ad verification services that are described in the White Paper, leaving aside for example on-target viewability, clutter monitoring and ad collision. Both monitoring tech producers and distributors have been considered.

The list of companies is not comprehensive. It represents the players the associations had the opportunity to interact with, in-depth. We are at the disposal of other companies working in Italy in order to update the table.

On an international level we report:

- a list of measurement companies certified by MRC for all services⁴;
- a list of measurement companies certified by ABC for viewability⁵;
- a list of measurement companies certified by ABC for content verification⁶.

4 <http://www.mediaratingcouncil.org/Digital%20Landscape.pdf>

5 <https://www.abc.org.uk/verification/viewability>

6 <https://www.abc.org.uk/verification/brand-safety>

	Comscore	DMA Institute	IAS	MOAT	Nielsen	Sizmek
Viewability	×	×	×	×	×	×
Ad Fraud	×	×	×	×	×	×
Content verification	×		×	×		×
Geo	×	×	×	×	×	×
Blacklist/ Whitelist	×	×	×	×	×	×

Standard viewability report

The working table believes that using **at least** a default standard report is an added value when measurement companies produce their reports⁷.

Of course, companies can optionally integrate the standard report with other reporting.

All parties involved in a campaign will be committed to ensuring the availability of the standard report for all concerned players, including the advertiser.

The measurement should be able to provide at least the following indicators:

- Served impression;
- Measurable impression;
- Viewable impression.

All of these indicators should be considered as a subset of the previous indicator.

7 [See Box 3 “Standard viewability report” at page 16.](#)

In particular:

The % of measurable impression shall be expressed as follows

$$\text{measurable impression} / \text{served impression} \times 100$$

The % of viewability of the campaign shall be expressed as follows

$$\text{viewable impression} / \text{measurable impression} \times 100$$

Measurable and viewable impression need to exclude:

- invalid traffic;⁸
- impression served on illegal websites and on websites not included in the plan.

If requested by the advertiser, they need to exclude also:

- out of geo impression (served out of the agreed geographical area);
- impression served on websites that are not compliant with the brand policy of the advertiser, or on websites that are in blacklist or not included in a whitelist;⁹

In case of mutual agreement of the parties before the campaign, they also need to exclude:

- impression served on contents not desired by the advertiser.⁹

⁸ See [Ad Fraud chapter](#), at page 37.

⁹ See [Brand Safety e Brand Policy chapter](#), at page 40.

Box 3

Standard viewability report

				SERVED IMPRESSION							MEASURABLE IMPRESSION	% MEASURABLE IMPRESSION	VIEWABLE IMPRESSION	% VIEWABLE IMPRESSION
					Invalid impression	Valid impression	% Valid Impression	Impression on illegal/ not in plan websites	Out of geo impression*	Impression on blacklisted* sites/ not whitelisted* sites/ contents out of brand policy Δ	Unmeasurable impression (specify)			
DEVICE	FORMATO	BUYING MODE ○	PROPERTY □											
MOBILE	A	programmatic	ggg.it											
	B	reservation	ggg.it (third party property)											
DESKTOP	A													
	B													

Data shall be inserted as absolute value where % is not indicated

Key:

★ if requested by the advertiser

Δ if agreed

○ the distinction should be provided by the media agency/trading desk

□ the distinction should be provided by the media owner

Box 4**Note for reading the Viewability standard report**

The report should highlight individually:

1. desktop, mobile browsing, mobile app;
2. different formats involved, in particular:
 - auto-play videos compared with click-to-play videos;

Video consumption might take place through two distinctive modes: auto-play or click-to-play. The two modes are different in terms of intention of the user to see or not to see the video.

Click-to-play is when the user clicks on a clear invitation to watch a video and lands on:

- a. Video section, where he can find the desired content that will start after a click on the Play button, or automatically.
- b. Text article, where the video is an embedded part of the article and starts after a click on the Play button (no auto-play).

Auto-play is when the user clicks on a clear invitation to read an article and he lands on:

- a. A text page where the video starts automatically as the users lands on the page, no matter where the video is in the article, also when it is positioned in an area of the screen that is not visible at the time.
 - b. A text page where the video is positioned in a non-visible area of the screen, but the video starts only when the user focuses on that area of the screen.
- The different units of a multi-ad-unit format (according to agreements).

3. Buying modes: programmatic vs direct (in this case, the distinction between direct and programmatic buying should be highlighted by the media agency/trading desk who's in charge for the buying);
4. The distinction between first party properties and supplementary third party properties (the detail should be provided by the sales house);
5. Impression produced by site initiated autorefresh.

Definitions and calculation methods valid for the standard report

Served impression: gross impression served by the adserver.

Invalid impression: fraudulent impression¹⁰ or bot-generated, even if they are not fraudulent.

Valid impression: served impression – invalid impression.

% Valid impression: valid impression / served impression x 100.

Impression on illegal/not in plan websites: valid impression served on illegal websites or websites not approved by the advertiser/media agencies¹¹. They always need to be filtered out from measurable impression.

Out of geo impression: valid impression served outside of the planned geographical area. They need to be filtered out from measurable impression if requested by the advertiser.

Impression on blacklisted websites: Valid impression served on websites **not compliant with the advertiser's brand policy**. They need to be filtered out from the measurable impression when the advertiser/media agency provide a blacklist/whitelist.

Impression on contents unwanted to the brand: valid impression served on contents that are **not compliant with the brand policy**. They need to be filtered out from the measurable impression if the parties agreed to monitor unwanted contents before the campaign¹⁰.

¹⁰ See [Ad Fraud chapter, at page 37](#).

¹¹ See [Brand Safety and Brand Policy chapter, at page 40](#).

Unmeasurable impression: other unmeasurable impression usually referring to formats/devices/website markup protocols siti not measurable in terms of viewability or referring to specific technical problems. The need to be excluded.

Measurable impression: valid impression – [impression on illegal websites, not in plan, out of geo (if requested), on blacklisted websites (if requested), on unwanted contents (if requested), unmeasurable impression].

% Measurable impression: measurable impression / served impression

Viewable impression: measurable impression that are compliant with quality requirements (usually in-view seconds and % of in-view pixels of the creative) agreed by the parties.

% Viewable impression: viewable impression / measurable impression x 100.

Transparent behaviors as defined by the participants in the White Paper

Parties involved in online media buying with viewability measurement shall agree on the following points before the launch of the campaign

- a. That there will be a monitoring.
- b. Which will be the supplier to be used.
- c. Timing and visible surface of the ad to be considered to define visible impression, and which formats/devices/browsers will be measured, in order to estimate in advance the % of measurable impression on total campaign.
- d. If the indicators will be measured both on demand side and on supply side, it will be necessary to agree on the rules for reconciliation.
- e. Invalid traffic, impression served on illegal websites or not planned, out of geo impression (if requested), impression served on websites/categories/contents not compliant with brand policy (if requested) have to be excluded from the viewable impression count.
- f. With regard to the calculation method to be used for viewability of the non measurable impression, mainly related to unmeasured parts of the campaign or technically unmeasurable formats in a standard way¹² there is no common convention at this time: the parties should agree on how to deal with them in terms of viewability, before the launch of a campaign. In this respect, it's fundamental that measurement companies provide good technological solutions in the future, capable of extending the range of measurement (formats/devices/technological protocols).
- g. The parties shall define ex ante the requested viewability %: this could be a percentage of served impression or viewable CPM.
- h. All parties recognize viewability measurements made by third party measurement companies, independent and certified by MRC (ABC for desktop), as valid, waiting for national/European regulations¹³.

¹² See Box 1 "Criteri di certificazione delle società che misurano la viewability" at page 10.

¹³ See Box 2 "Mappa dei servizi di Ad Verification disponibili in Italia" at page 13.

Technical aspects affecting viewability performance

The table also analyzed which might be the technical aspects affecting viewability performance. There are many, some related to the publishers and others related to the investors:

Publishers

- Advertising page layout;
- Congestion of the browser area in focus on the screen;
- Servers latency;
- Selling model.

Companies

- Weight of the creatives¹⁴;
- Buying mode;
- Servers latency.

¹⁴ Given the importance of this factor, a working table will analyze the impact of creative weight on viewability performance.



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Transparency of the supply chain

Definition

Transparency in digital advertising is a trending topic between advertisers, media owners and players of the ecosystem. It is mainly related to programmatic advertising but not only that.

It can be summarized in 6 main topics:

1. Transparency in the buying and selling of ad spaces via programmatic methods;
2. Transparency of the costs and prices in the programmatic trading workflows;
3. Possibility of auditing the process;
4. Transparency in reporting;¹
5. Transparency of the ad spaces in which ads are served;²
6. Transparency in the quality assurance and availability of data³.

1. Transparency of the ecosystem in the buying and selling ad spaces via programmatic methods

Definition of programmatic advertising: a real time buying and selling method of online ad spaces that uses automated technological platforms that set the connection between buyers (media agencies and advertisers via a DSP) and sellers (media owners and sales houses via a SSP) and can enable to reach profiled users. The media trading types are the following: Open Auction, Private Auction, Preferred Deal, Programmatic Guaranteed, Audience Guaranteed.

In the tables in the next pages, you will find the following:

- a. The workflows of programmatic trading in the ad exchange (Box 1);
- b. The data flow in the DMP (Box 2);
- c. The programmatic campaign life cycle (Box 3);
- d. Glossary of the ecosystem, programmatic included (Box 6).

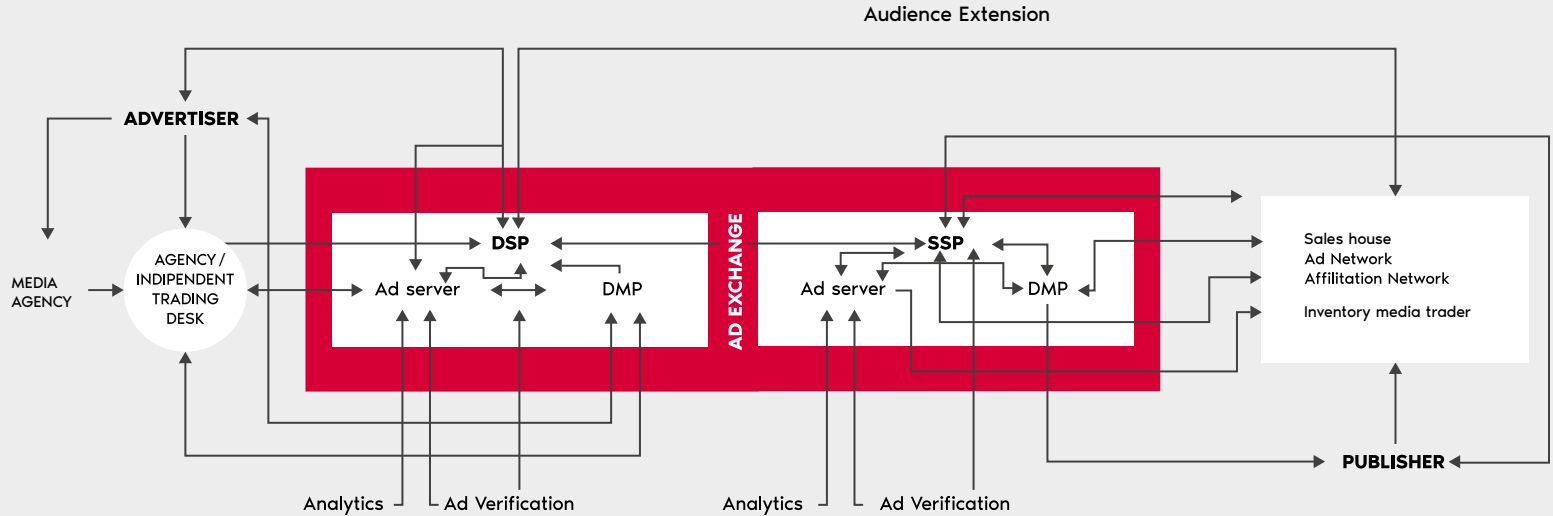
¹ [See chapter on Viewability, page 7.](#)

² [See chapter Brand Safety and Brand Policy page 40.](#)

³ The topic will be further discussed when, in May 2018, new privacy rules will be applied

Box 1

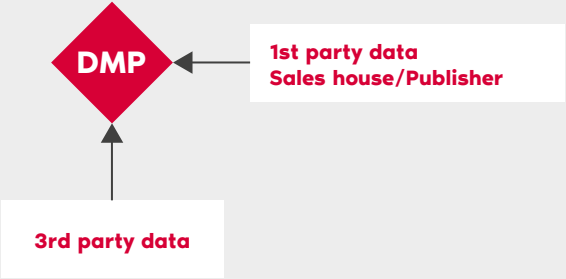
The workflows of programmatic trading in the ad exchange



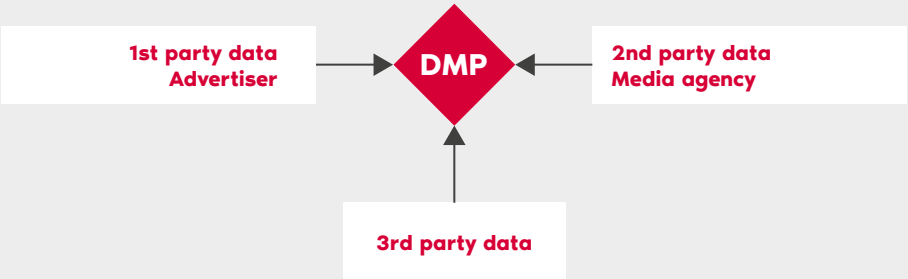
Box 2

Map of the programmatic Ad Exchange
The data flow in the DMP

PUBLISHER

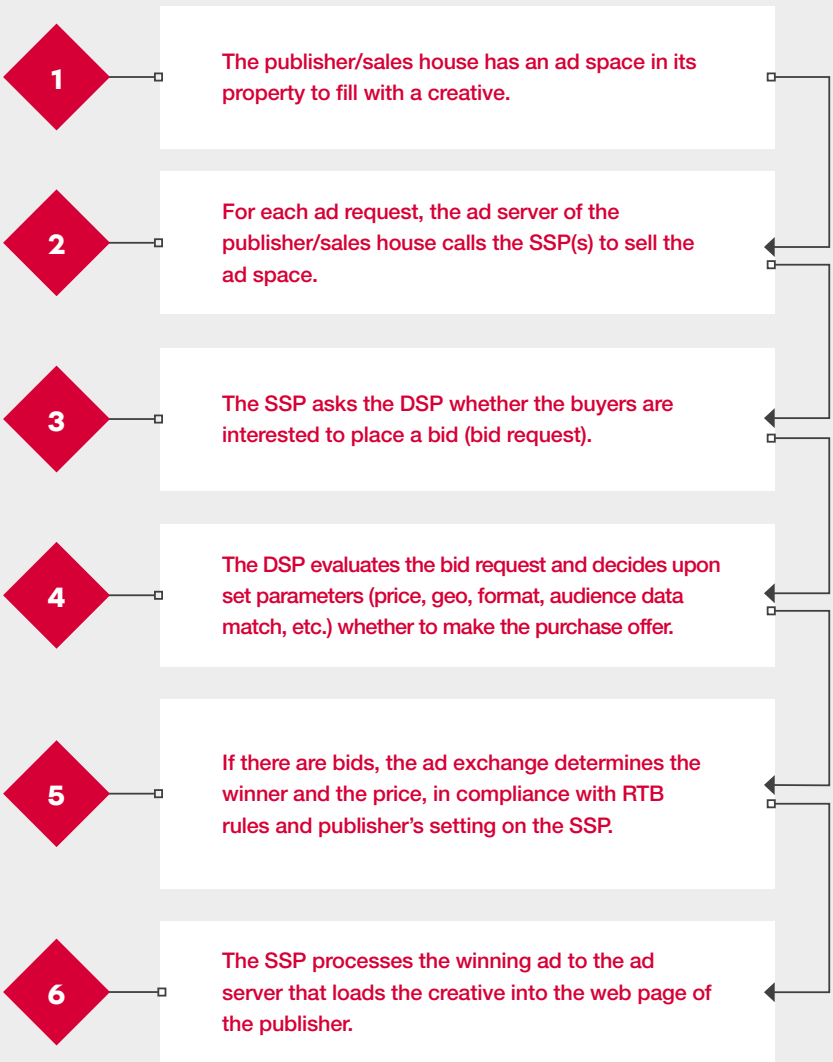


ADVERTISER / MEDIA AGENCY



Box 3

Description of the programmatic campaign life cycle of an ad



2. Transparency of the financial flows in the programmatic trading workflows

In the following tables (Box 4 and Box 5) we represent the financial flows related to the map of page 25 in Box 1.

Please see glossary (Box 6) for the definitions.

Box 4

Description of the financial flows that characterize the map

1. The advertiser pays the media agency / trading desk (or independent trading desk)

Depending on the business model used, the trading desk invoices the client in one of the following ways:

Unbundled Model —————→ the agency/trading desk invoices the advertiser a global cost with the split of media costs, tech fee, data fee, team fee (when applicable), and letting the opportunity to the advertiser to access the invoices in the ad tech platform.

Bundled Model —————→ the agency/trading desk invoices the advertiser with a comprehensive cost of delivery agreed by both parties. The amount includes all costs of programmatic delivery (media, data, tech fee, ad management).

B = Buyer: Advertiser and /or media agency /trading desk

B1 Advertiser and/or media agency/trading desk pay the ad server

The advertiser and/or media agency receives the invoice from the ad server for its fee. The ad campaign management via ad server generates campaign reports.

B2 Advertiser and/or media agency/trading desk pay the web analytics tool

The advertiser receives invoice from the web analytic tool for its tech fee, (whether this service is not for free).

B3 Advertiser and/or media agency/trading desk pay the DMP

The advertiser and /or media agency can make or buy the license for the DMP. DMP helps buyers to manage first party data and integrate third party data. Media agencies usually fuel their DMPs with their clients' campaign data. In the case the DMP data of the media agency are made available in a programmatic campaign, the related cost is usually included in the media space cost payed by the Advertiser.

B4 Advertiser and/or media agency/trading desk pay the ad verification tool

The advertiser or media agency can pay the ad sever or a third party to verify the performance of a campaign in terms of viewability, ad fraud, brand safety, brand policy, ad clutter, ad collision, etc. The ad verification service can be paid from the advertiser to the media agency and be part of the service commission. This extent goes beyond the programmatic buying, however it is strongly related for the pre-bid evaluation (the DSP decides whether to make a bid or not to the impression to maximize the buying efficiency).

2. The advertiser or media agency / trading desk pay the DSP

The trading desk pays the DSP for the cost of delivery of the impression, plus the tech fee agreed on the contract on the base of the invoice issued by the DSP. Trading desk can control impression, results and campaigns in the DSP dashboard. The advertiser can receive an invoice and pay it to the DSP if it purchase directly the technology.

3. DSP pays the SSP

Every month, the DSP pays the SSP based on the purchased impression. To determine the ad spaces and the amounts, the amount is certified by the SSP panel. In case of discrepancy in numbers between the two counters, the SSP and DSP manage the issues by relying on the agreement they've submitted. SSP might also apply a fee to the DSP.

4. SSP returns the media investment to the sales house/publisher by deducting a rev share cost for the service

The SSP withholds a tech fee agreed with the sales house or publisher calculated on the value generated by selling the ad spaces to the DSP(s). The fee is deducted from the invoice that

publisher/sales house issues to the SSP.

Monthly (if the sales house/ publisher is Italian), on the base of net values in currency found on the SSP dashboard, of which the publisher can access details.

5. The sales house returns the media spend to the publisher and deduct a commission

The sales house receives an invoice from the publisher, to whom it returns the revenues and deducts a management/selling fee.

S = Seller: sales house and/or publisher

S1 Sales house and/or publisher pay the Ad Server

The sales house and/or publisher receives the invoice from the ad server (which can be integrated to the SSP) for its tech fee of ad delivery. The ad campaign management via ad server generates analytics data.

S2 Sales house and/or publisher pay the web analytics tool

The sales house and /or publisher receives invoice from the supplier to which they pay a fee (if the service is not for free).

S3 Sales house and/or publisher pay the DMP

The sales house and/or publisher can build or rent a DMP technology, helping to manage first party data and/or integrate third party data. Seller can also collect and make its data available to a data provider, which will pay the seller in relation with the data provided.

S4 Sales house or Publisher pay the Ad Verification tool

The sales house or publisher can pay the ad sever or a third party to verify the results of a campaign for viewability, ad fraud, brand safety, brand policy, ad clutter, ad collision, etc. This extent goes beyond the programmatic selling.

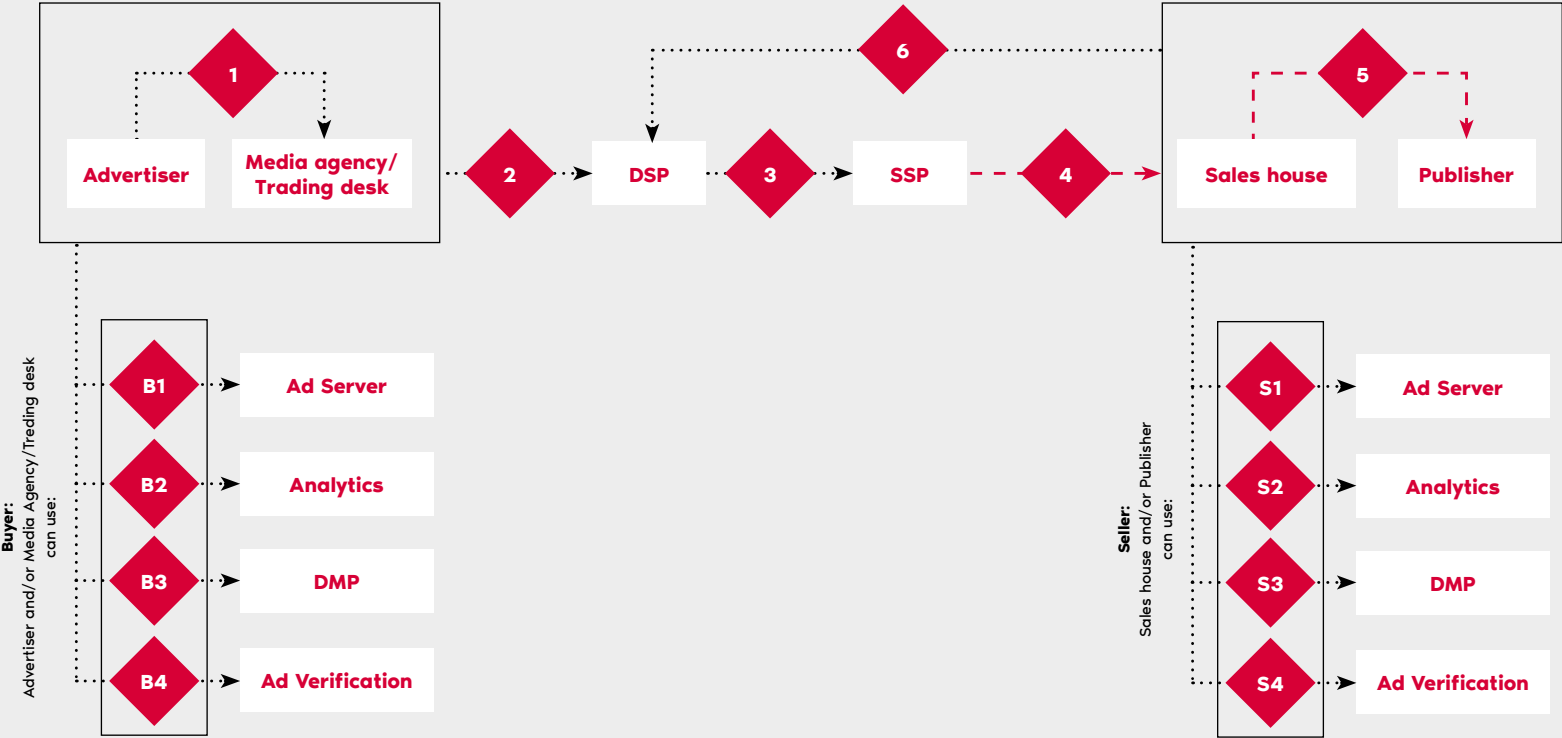
6. Sales house and/or Publisher pay the DSP

Seller may apply audience extension models. In this extent, sales houses or publishers act exactly as an independent trading desk. They pay the DSP the media cost plus the agreed fee, on the base of the invoice issued by the DSP. Sales house and publisher can check inventories, figures and campaigns on the DSP panel.

Box 5

Table representing the ad tech tools and corresponding financial flows

the indicators➤ show the flow where the first party “pays” the second one
the indicators - - ➤ show the flow where the first party “withholds a commission and then passes back” to the second one



For description of financial flows see Box 4 at page 28.

3. Possibility of auditing the phases of the purchasing and selling of the ad spaces

Full cooperation has to be guaranteed by the players involved in the process of delivery and selling of the ad spaces at the request of an audit by the advertiser, in line with the provisions on page 28.

4. Transparency in reporting⁴

5. Transparency of the ad spaces in which ads are served⁵

6. Transparency in the quality assurance and availability of data⁶

⁴ See [Viewability chapter, at pag 7.](#)

⁵ See [Brand Safety and Brand Policy chapter, at page 40.](#)

⁶ The topic will be further discussed when, in May 2018, new privacy rules will be applied

Transparency oriented behaviors, as identified by the White Paper members

- Declare in which roles the players of the ecosystem act, directly or indirectly, through other subsidiaries or parent companies.
- Media agency/trading desk should be transparent to the advertiser by declaring which players are involved in the vary phases of the campaign management, as well as the pre and post campaign.
- Guarantee a detailed reporting, which has been pre-agreed with the advertiser.
- In case of “unbundled” model, all items of cost related to the purchase of ad spaces should be stated clearly. The media agency/ trading desk should provide a cost break down for the specs deliver the campaign by the type, up to DSP level, with access to detailed cost reporting.
- Transparency of the costs for the publishers till the SSP (the SSP outlines the percentage cost commission that is applied to the publisher and, in case, applied to the DSP).

Box 6**Glossary of the ecosystem****Ad Exchange (or Marketplace)**

Virtual place based on the RTB protocol (Real Time Bidding) which enables advertisers and publishers to dynamically buy and sell inventory in display, video and mobile ad space.

Ad server

Server used by publishers/sales houses to manage their own inventory. Server used by advertisers and media agencies to manage the ads delivery.

Ad Network/Affiliation Network

An online ad network or ad network is a company that connects advertisers to websites willing to host ads. The main function of an ad network is to aggregate the ad spaces available from the publishers and match publishers' offer of inventory with investors' demand. Ad networks usually work in blind site and url listing.

Ad verification

Collection of the evaluation systems to monitor a campaign in terms of viewability, invalid traffic, brand policy, brand safety, traffic not in geo, ad clutter, ad collision, The service can be provided by the ad server or by an external company.

Advertiser

Advertising investor buying ad spaces.

Analytics

Usually they entail page view, bounce rate and other indicators of performance of a client's website, even though it depends on the context in which this term is used.

Audience extension

Technique of a publisher/sales house that uses a DSP to buy audience and then resell inventory.

Bundled

Programmatic buying type that entails all the costs (media, tech, data, management, verification...) in one single final cost item for the advertiser. With this mode, the advertiser can see a guaranteed result (such as CPC, CPA, CPL, CPS) no matter which cost have been taken from the player which actually delivers the campaign.

Media agency

Agency that assist the client in planning and/or purchasing the ad spaces offline and/or online.

Sales house

Company to which publishers delegate management and selling of the ad spaces. Sales houses are organizations specialized in advertising revenues and are remunerated by the publisher on the base of the generated income. They operate on the territory via their own sales network. Sales houses can be owned and controlled directly by publisher themselves.

DMP, Data Management Platform

A data storage platform that that collects, stores and organizes data from various sources (included owned 1st party data) and audience segments that are actionable in various media channels and not only there.

DSP, Demand Side Platform

The technology used by advertisers and media agencies to buy ad spaces in real time via programmatic methods.

First-party data

Data which are collected from the demand side directly from the advertisers about a consumer which are property of the advertiser itself. On the supply side, first party data are proprietary data of a publisher/sales house.

Guaranteed impression

Mode of programmatic advertising in which all price conditions and volumes of the commercial proposition are pre-determined and bought in an automated way.

Being based on an IO, the ad server delivers the number of

impression as it was pre-determined in the deal, via a set of a managed tag. In case there is no data enrichment by the DMP, this mode does not require an ad exchange.

Inventory media trader

Players, including media agencies, that resell to their clients the ad spaces purchased from third parties.

Managed tag

Tracking tag of an ad campaign bought in programmatic with guaranteed impression.

Open market (or open Exchange)

An open market system, in which every seller makes the inventory available to be bought by any buyer.

Private deal

Deals done by buyers and sellers on a series of criteria, such as fixed price, allowance of placing a bid, ad unit type, site section and others, that are the set of rules to regulate the transactions in the ad exchange. The deals are identified via a deal ID (or Deal Token).

Private marketplace

A private auction environment in which the seller can limit the access to his inventory to specific advertisers and defining the set of rules and floor prices for the ad spaces.

Programmatic advertising

It is a buying and selling method of media spaces online, in real time, that uses automated technology platforms that put in communication buyers (advertisers, media agencies, via a DSP) and sellers (sales houses/ publishers via a SSP).

The methods are the following: Open Auction, Private Auction, Preferred Deal, Programmatic Guaranteed, Audience Guaranteed.

Publisher

Content owner that owns properties that can host ad spaces.

RTB (real time bidding)

Protocol with the instructions used inside the ad exchange by which winners of the bids and prices are determined.

Second Party Data

The most common definition is “data owned by a third party but collected directly by the advertiser”.

They have generally an higher quality compared to third party data

SSP, Supply Side Platform

The technology used by publishers and sales houses to sell ad spaces in real time via programmatic.

Tech DMP

Technological infrastructure of a DMP to activate first, second and/or third party data.

Third Party data

Data collected from a player (data provider) which does not necessarily have a direct relation with the advertiser/media agency or with the publisher/sales house. Third party data are aggregated by a DMP to enrich the audience profiling or in a DSP to perfection the audience targeting capabilities.

Trading desk

Agency that collects one or more IOs or typically more advertisers and uses one or more DSPs. It can be property of a media agency (agency trading desk) or an independent trading desk.

Unbundled

Programmatic buying type that states in transparency the costs to the advertiser. With this modality, it is guaranteed the minimum volume of impression by a given maximum CPM previously agreed.

**A D
F R A
U D**

Ad Fraud

Definition

The ad fraud can take many forms and at any state it entails to divert illegitimately part of the advertising expenditures.

The ad fraud is made by both non-human traffic and illicit practices done by humans.

In the viewability reports¹ impression must be always monitored and should be **excluded from the measurable and viewable impression**, the ones which are invalid (invalid impression or invalid traffic). Those impression entail both the ones from the ad fraud and from other types of human illicit traffic, such as a crawler to index the contents on the search engines or traffic generated by the same companies which provide the measurement.

Taxonomy

Possible typologies of ad fraud in the ecosystem are the following:

- Illegitimate and non-human traffic sources;
- Non-traditional / other traffic;
- Hijacked tags;
- Site or impression attributes;
- Ad creative/other.

For the comprehensive definitions, please see the taxonomy in the document made by TAG (Trustworthy Accountability Group)².

¹ See Box 3 "Report standard viewability" page. 16.

² https://www.tagtoday.net/wp-content/uploads/2016/05/TAG_Fraud_Taxonomy_March_10_2015.pdf

Transparency oriented behaviors, as identified by the White Paper members

1. Ad fraud, including click fraud and click-baiting, by which fraudsters generate traffic based on “titles and messages” which are not related to the advertising content, is illegal and must be counteracted.
2. Commitment from all the players of the ecosystem to act to avoid frauds by third parties, by selecting partners who guarantee they are not producing ad fraud.
3. Publishers/sales houses/ ad networks/affiliation network/inventory media trader have to clearly highlight the sourced traffic in both the planning phase and post valuation.
4. By highlighting in the post evaluation report the ad fraud deliveries, and by distinguishing data in reservation and programmatic³.
5. Monitor the ad campaigns with third party ad fraud detection tools certified by MRC guidelines “Invalid Traffic Detection and Filtration Guidelines Addendum”⁴. Make the results available to the advertisers (if monitoring is carried out by the publisher or by the media agency).

Companies of Ad Fraud monitoring

While waiting for an Italian/European certifier, measurements by the MRC certified companies, in accordance with the guidelines in the document “Invalid Traffic Detection and Filtration Guidelines Addendum”⁴ are considered accepted.

In the near future, a research will be carried out by the market to quantify the phenomenon in Italy, in order to have a shared benchmark validated by the industry.

³ See Box 3 “Report standard viewability” page 16.

⁴ [http://mediaratingcouncil.org/101515_IVT%20Addendum%20FINAL%20\(Version%201.0\).pdf](http://mediaratingcouncil.org/101515_IVT%20Addendum%20FINAL%20(Version%201.0).pdf)

**B R A
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Brand Safety and Brand Policy

Definition

Brand safety is defined as making available for brand communication environments in line with law and brand policy of contexts in line with brand-specific policies.

Non-safe space purchase cases are few, in absolute value, but may create major reputation issues for the brand and the entire digital communication sector, and the risk of financing illegal activities through advertising.

There are three types of Brand Safety / Brand Policy:

- Brand Safety in general, that is, avoid placing ads on websites that offer illegal and harmful content for each brand.
- Brand Policy at site level, i.e. avoid placing ads in sites that do not conform to the brand-specific policy but are not generally harmful.
- Brand Policy at individual content level, i.e. avoid placing ads within content that may be unwanted for the brand, though placed in a suitable context.

Commitments of the White Paper members: illegal sites

White paper members commit to ensure that will not be planned illegal sites such as (except for all additional law provisions) sites / URLs that present:

- Infringement of Industrial and Intellectual Property Rights (including Copyright);
- Counterfeiting;
- Spyware/Malware;
- Child Pornography;
- Incitement to violence / hate speech;
- Clandestine bets;
- Acts of unfair competition (e.g., illegal activities of retargeting, etc.);
- Sites that offer false information on facts or facts that are manifestly unfounded or false (so called fake news).

Transparency's oriented behaviors identified by White Paper members: brand policy at domains / sites / site categories

In addition to the total exclusion of illegal sites, it is recommended:

- Definition from the advertiser, prior to the campaign, of a brand policy document that specifies in which domains / sites / categories of sites do not intend to place their advertising messages through a blacklist or specify which ones to be planned through white list. Blacklist / whitelist should be submitted before the campaign: if not specified before, the sites are considered to be adequate to the brand policy and the advertiser renounce to ask for a later refund.
- Accept Whitelist and Blacklist of advertisers / media centers by publishers / dealers / network / affiliation network / inventory media trader.
- For publishers / dealers / network / affiliation network / inventory media trader, do not operate with blind mode, that is:
 - a. declare prior to the campaign the list of sites on which a brand ad could be served, with evidence of aggregated third-party sites (Sourced traffic);
 - b. allow, in the post-valuation phase, the verification of all sites where a campaign was delivered and make it available to the advertiser, with evidence of aggregated third-party sites (Sourced traffic).

In case of delivery on sites that do not comply with the brand policies listed in advance, the parties involved must immediately get activated to remove the ad and establish the responsibilities.

Transparency's oriented behaviours identified by White Paper members: brand policy at individual content level

- If a brand intends to implement a policy that excludes specific content, even within site that are considered adequate to the brand policy, it must be agreed before the campaign which keyword or semantic parameters to be respected and indicate that a monitoring will be executed through a content verification provider, which supplier and by what criterion (for instance whether through a simple keyword matching or a semantic analysis tool with measurement indexes).
- Content verification providers must be independent third parties. Certification ABC¹ is a distinctive feature.

The agreement related to the brand policy, to be agreed upon and approved before the launch of a campaign, can be made in accordance with the Jicwebs primary agreement scheme².

In the event of delivery on content that is contrary to the brand policies listed in advance, the parties involved must immediately get activated to remove the ad and establish the responsibilities.

The impact of brand safety / policy on the viewability report

If ads are served on illegal sites or sites / content that are in conflict with the agreed trademark, these impression, if measured in terms of viewability, should be excluded from measurable and viewable impression³.

1 <https://www.abc.org.uk/verification/brand-safety>

2 <https://www.jicwebs.org/images/Sample%20Primary%20Agreement.pdf>

3 See Box 3 "Report standard viewability" page 16.

USER EXPE RIE NCE

User experience

Definition

The topic of user experience that digital advertising provides to Internet users has come increasingly to the attention of the digital advertising industry over the last few months, starting with the evidence emerging from various researches that have investigated the phenomenon in the world.

For this reason, six of the eight White Paper members have produced a research for quantification and qualification of the ad-blocking phenomenon in Italy, “The state of the art of ad-blocking in Italy”, which came to its second wave¹.

This research, conducted throughout panel/meter for PC and CAWI for smartphones and penetration across all devices, shows an essentially stable Italian trend in the adoption of ad-blocking software, equal to **13% of users** and **15% of pages on PC** and **8% of mobile users**.

The research also outlined ad –blocking adoption rate for different socio-demographic and behavioural target, user usage patterns, and the main causes for using ad-blocking software, which were mainly:

- the intrusiveness of some advertising formats;
- excessive advertising clutter;
- excessive frequency of some ads;
- battery consumption and data traffic by the advertising (smartphone).

Ad-Blocking is a problem for the entire advertising ecosystem: for publishers and advertisers because it causes a drop in the potential pool available from media plans for advertisers because it signals a negative perception of advertising by consumers that install these softwares.

¹ <http://www.idas-italia.org/wp-content/uploads/2017/02/Lo-stato-dellarte-dellad-blocking-in-Italia-II-Wave-versione-media.pdf>

On the other hand, the use of ad blockers undermines the business model of digital advertising, supported by the advertising pact.

In particular, as in regard to the topics of self-regulation of formats and frequency of use (advertising experiences), in October 2016 the Coalition for Better Ads² was formed, consisting of numerous representatives of the worldwide digital advertising industry who are studying solutions and proposals to limit the phenomenon.

Transparency's oriented behaviours identified by White Paper members

- Adopt the research on ad blocking promoted by associations as a benchmark for the Italian market.
- Commitment of advertisers to consider and limit the excessive weight (bites) of campaign creativity. On this topic, technological training initiatives are being implemented to foster the correct construction of creativity³.

² <https://www.betterads.org/>

³ [See Viewability chapter at page 7.](#)

**TRA
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Transparency on advertising investments

Introduction

Today, only FCP-Assointernet affiliates declare their own turnover data, with the required details, to a third party, entrusted by FCP-Assointernet itself, which builds them into a report which is partially available to the market. At the same time Sales houses pass to Nielsen a data tracking showing the quantities delivered per single customer and Nielsen makes an economic estimate according to its valuation models. These data are made available to the market on a monthly basis and correspond to approximately 20% of the (estimated) total value of the digital market; The amount of the remaining market value (80%) is estimated once a year by Nielsen.

Many players, independently, fill in also some questionnaires produced by the Internet Media Observatory of the Politecnico di Milano, thus declaring their data to another third entity.

Market transparency is expected to come from being able to estimate the investment on the internet system through primary sources (publishers / dealers / platforms / OTTs) who declare their turnover. Only in this way is it possible to obtain reliable estimates and breakdowns for reliable typologies.

The White Paper therefore invites all publishers to declare their own turnover to independent third-party sources. At the moment, only the FCP-Assointernet affiliated publishers / sales houses declare their invoices by dividing them into main typologies.

Sources of Total Digital Market Investment in Italy

The two sources currently estimating, with unequal methodologies, the Italian digital market are: Nielsen, which estimates 2.28 billion euros for the market in 2016, Osservatorio Internet Media of the Politecnico di Milano and IAB Italia, which estimates for the same market 2.36 billion euros.

A detailed analysis has been made of transparency on the methodologies adopted by both institutes for total estimates and, in Nielsen's case, for estimates of investment tracking per brand / company.

Nielsen

Survey on 160 companies to estimate global investment and various web channels. Main Digital drivers (allocation of investment in programmatic, mobile, apps, social channels such as Facebook, LinkedIn, Twitter, etc.) are analyzed. Estimates of the year just ended and the next two years with relative trends are estimated. Annual delivery frequency.

Through this process, the global investment of the five Nielsen macro sectors (general consumption, durable goods, people, services / activities, leisure) and major industries is estimated.

Internet Media Observatory of the Politecnico di Milano and IAB Italia

- questionnaire / interview with sales houses and others players for the collection of information about online advertising (avoiding double counting issues), with splits per formats, devices and programmatic.
- estimates of OTT investment in advertising through second-tier sources and interpretative models developed ad hoc.
- for the programmatic market surveying by questionnaire / interview to DSP, SSP and Trading Desk. In order to estimate the actual investment of the company, from the input value to the DSPs, the estimates of the absorbed quotas upstream from the supply chain are added.
- verifications with major Italian media centers and surveys / interviews submitted to several dozen of investment companies.
- analysis and comparison with national and international public secondary sources.

Digital market total estimates for Italy (year 2016)

	Nielsen	Osservatorio Polimi - IAB
	Million €	Million €
Classified	150	199
Search	780	730
Display	649 ¹	853 ⁴
Video	402 ²	518 ⁵
Social	297 ³	(384) ⁶
Native	- ⁷	30
Email	- ⁷	29
Total	2.278	2.359

Estimate source for Investment tracking by brand / company**Nielsen***Monthly Fcp-Assointernet Statements*

These values derive from the sum of direct investments (where the investments of the companies and the turnover of the media tend to coincide) and from the revenues derived from programmatic (where the technological supply chain, by absorbing the cost, makes the investment data of the company different from the turnover of the media).

The information available is for company / brand (Uniforms with other Nielsen media) / type of communication / device / commercial mode. Monthly Delivery.

Measured value in 2016: 448 million euros.

1 Display excluding display social.

2 Video excluding video social.

3 Video and display social.

4 Display including display social.

5 Video including video social.

6 Duplicated social data, already included in display and video.

7 Native and email included in display

Direct YouTube video survey

- the available information detail is per company / brand (Uniforms with other Nielsen media);
- the investment made by the company is estimated on the basis of average market values;
- campaign creativity and video duration in seconds is available;
- the data can be analyzed by device (Desktop and Mobile);
- weekly delivery with detail per day.

Direct survey on approximately 1,000 sites, up to 200 sections each (partially overlapping with Fcp-Assointernet data)

- the information available is for company / digital campaign (uniforms with other Nielsen media);
- the website and the sales house are present;
- creativity is available;
- the individual campaign, landing page, format (IAB Format), the size of the announcement as well as the type of buying programmatic / direct sales are detected;
- display advertising is detected and analyzable for Mobile and Desktop. The Video advertising instead is monitored only by desktop;
- daily delivery with daily detail.