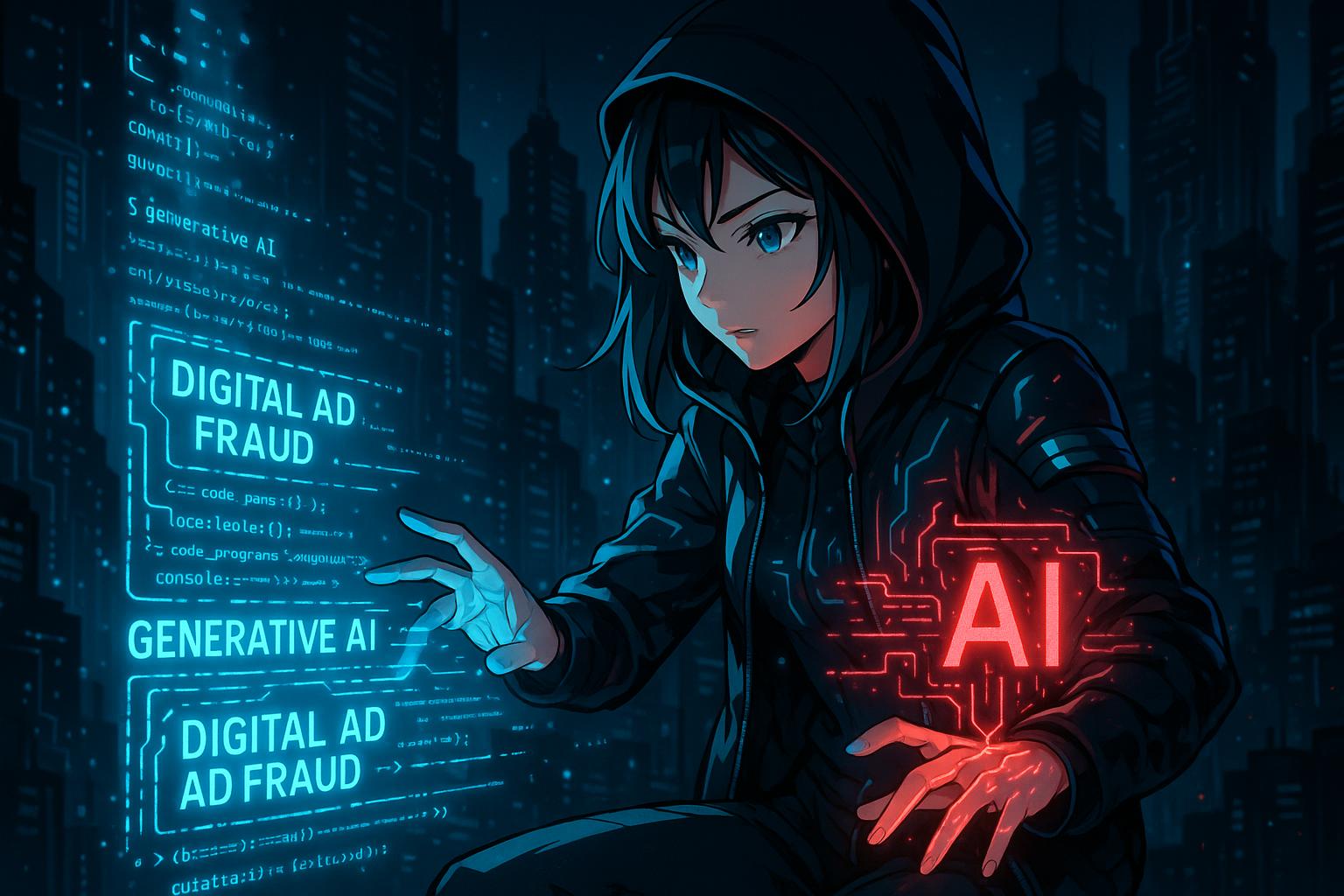
# Generative AI supercharges ad tech fraud with ‘AI slop sites’ siphoning revenue



The digital advertising landscape is facing an alarming new challenge as generative AI becomes a powerful tool for ad tech fraud. While the technology promises efficiency and innovation, it is simultaneously exploiting vulnerabilities within the ecosystem, leading to a wave of sophisticated fraudulent activity that the industry is struggling to combat.

According to recent findings from DoubleVerify, a technology company that monitors ad integrity, fraudulent entities are now employing generative AI to create so-called "AI slop sites." These sites generate low-quality content by scraping information from legitimate publishers, thereby hijacking their ads.txt files—essentially a directory intended to verify who is allowed to sell advertising space. This allows the fraudsters to pose as credible publishers, effectively siphoning ad revenue from the rightful owners. Notable examples include domains like nbcsportz.com and espn24.co.uk, which mirror reputable sites with alarming accuracy to mislead advertisers.

Gilit Saporta, Vice President of Product Management at DoubleVerify’s Fraud Lab, emphasised that while existing ad tech fraud schemes are not newly devised, generative AI has amplified their scale. “It’s ad tech fraud schemes but on steroids,” she noted, pointing out that AI simplifies the process of replicating fraudulent sites en masse. This ability to create numerous deceptive sites—potentially thousands in a day—allows fraudsters to elude detection more effectively than ever before.

The repercussions extend beyond merely lost revenue for legitimate publishers. Gartner's 2024 Global Insights Report highlighted a staggering 23% increase in new ad fraud schemes compared to the previous year, with unprotected advertisers facing a violation rate as high as 17%. This is particularly concerning in regions like Australia and New Zealand, where the ad fraud rates have surged by 14%, making them the second-highest in the Asia-Pacific region. These patterns suggest that cycles of exploitation are growing rapidly as generative AI creates more realistic data patterns, thereby complicating detection efforts.

The emergence of these AI-driven fraud tactics has prompted responses from industry stakeholders necessitating proactive measures. Thomas Lue Lytzen, head of ad sales and tech at Danish tabloid Ekstra Bladet, remarked, “It’s extremely disturbing that premium news publishers are once again abused by fraudulent players in the ad ecosystem.” He asserts that advertisers need to collaborate with whitelists of quality publishers instead of relying solely on algorithmic ad placements that may lead to subpar inventory.

Hamish Nicklin, a former chief revenue officer at Guardian News and Media, noted the broader implications of what he termed “ads.txt plagiarism.” He insists that the problem lies not in AI per se but in the inherent flaws within the ad tech infrastructure that allow such subterfuge to flourish. This sentiment is echoed by other industry leaders, including Pritesh Jumani from Globe and Mail, who argues that direct engagement with legitimate publishers via private auctions not only mitigates risks but also enhances transparency in transactions.

As fraudsters exploit generative AI to create more convincing environments for malfeasance, industry experts stress the importance of re-evaluating advertising marketplaces. Alessandro de Zanche, an independent media consultant and former director at News UK, suggested that the industry's longstanding issues stem from a reluctance to adequately combat fraud. “If we fixed the tap, the business models of most ad tech companies would collapse,” he stated, urging for a collaborative effort to establish more transparent trading environments where all parties are legally accountable.

Despite the challenges posed by advancing technology, industry leaders remain committed to tackling these emerging threats. Danielle Coffey, CEO of the News/Media Alliance, along with Richard Reeves of the Association of Online Publishers in the UK, expressed their intention to monitor these issues closely and work with industry stakeholders, including IAB Labs, to find solutions. As the battle against ad tech fraud continues, it becomes increasingly clear that generative AI, while a potent tool for innovation, poses equally significant challenges that demand immediate attention and action from all corners of the digital advertising ecosystem.

### Reference Map

* Paragraph 1: [[1]](https://digiday.com/media/were-seeing-an-immense-uplift-in-the-scale-how-generative-ai-is-fueling-the-next-wave-of-ad-tech-fraud/)
* Paragraph 2: [[1]](https://digiday.com/media/were-seeing-an-immense-uplift-in-the-scale-how-generative-ai-is-fueling-the-next-wave-of-ad-tech-fraud/)
* Paragraph 3: [[2]](https://www.businesswire.com/news/home/20240617019693/en/DoubleVerify-Gen-AI-Driving-Significant-Increase-in-New-Ad-Fraud-Schemes-and-Variants), [[3]](https://www.adnews.com.au/news/generative-ai-linked-to-australian-ad-fraud-rate-increases)
* Paragraph 4: [[1]](https://digiday.com/media/were-seeing-an-immense-uplift-in-the-scale-how-generative-ai-is-fueling-the-next-wave-of-ad-tech-fraud/)
* Paragraph 5: [[4]](https://bestmediainfo.com/insights/genai-fuels-rise-of-fraudulent-ai-slop-sites-threatening-digital-ad-spend-8628575), [[5]](https://www.socialsamosa.com/report/90-of-genai-fraud-sites-missing-from-ad-blocklists-8627175)
* Paragraph 6: [[6]](https://ppc.land/ad-fraud-on-the-rise-gen-ai-makes-schemes-more-sophisticated/)
* Paragraph 7: [[1]](https://digiday.com/media/were-seeing-an-immense-uplift-in-the-scale-how-generative-ai-is-fueling-the-next-wave-of-ad-tech-fraud/), [[3]](https://www.adnews.com.au/news/generative-ai-linked-to-australian-ad-fraud-rate-increases)
* Paragraph 8: [[4]](https://bestmediainfo.com/insights/genai-fuels-rise-of-fraudulent-ai-slop-sites-threatening-digital-ad-spend-8628575), [[7]](https://integralads.com/apac/insider/fraud-generative-ai-marketers/)
* Paragraph 9: [[1]](https://digiday.com/media/were-seeing-an-immense-uplift-in-the-scale-how-generative-ai-is-fueling-the-next-wave-of-ad-tech-fraud/), [[2]](https://www.businesswire.com/news/home/20240617019693/en/DoubleVerify-Gen-AI-Driving-Significant-Increase-in-New-Ad-Fraud-Schemes-and-Variants)
* Paragraph 10: [[2]](https://www.businesswire.com/news/home/20240617019693/en/DoubleVerify-Gen-AI-Driving-Significant-Increase-in-New-Ad-Fraud-Schemes-and-Variants)

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1. <https://digiday.com/media/were-seeing-an-immense-uplift-in-the-scale-how-generative-ai-is-fueling-the-next-wave-of-ad-tech-fraud/> - Please view link - unable to able to access data
2. <https://www.businesswire.com/news/home/20240617019693/en/DoubleVerify-Gen-AI-Driving-Significant-Increase-in-New-Ad-Fraud-Schemes-and-Variants> - DoubleVerify's 2024 Global Insights Report reveals a 23% increase in new ad fraud schemes compared to the previous year, with fraudsters targeting platforms like Connected TV and streaming audio. Generative AI is identified as a key factor, enabling fraudsters to create more realistic data patterns, making detection more challenging. Unprotected advertisers faced a fraud/SIVT violation rate as high as 17%, encompassing bot fraud, site fraud, app fraud, hijacked devices, nonhuman data center traffic, and injected ad events, all inflating online advertising impressions or data events to generate revenue.
3. <https://www.adnews.com.au/news/generative-ai-linked-to-australian-ad-fraud-rate-increases> - DoubleVerify's 2024 APAC Report indicates a 14% increase in ad fraud rates in Australia and New Zealand, reaching 1.3%, the second-highest in the APAC region. Globally, there was a 23% surge in new fraud schemes and variants compared to the previous year. Unprotected advertisers experienced a fraud/SIVT violation rate as high as 17%. Generative AI is highlighted as a key factor, facilitating the falsification of data patterns, thereby amplifying existing ad tech fraud issues.
4. <https://bestmediainfo.com/insights/genai-fuels-rise-of-fraudulent-ai-slop-sites-threatening-digital-ad-spend-8628575> - An analysis by the DV Fraud Lab uncovered a network of over 200 AI-generated, ad-supported 'AI slop' sites, collectively termed 'Synthetic Echo.' These sites mimic legitimate publishers, posing threats to ad spend and campaign performance. Monetized through various sell-side platforms and exchanges, they exhibit minimal human oversight, highlighting the challenges posed by generative AI in the digital advertising landscape.
5. <https://www.socialsamosa.com/report/90-of-genai-fraud-sites-missing-from-ad-blocklists-8627175> - A report reveals that 90% of generative AI-driven fraud sites are absent from ad blocklists. The DV Fraud Lab identified over 200 AI-generated, ad-supported 'AI slop' sites, collectively termed 'Synthetic Echo,' which mimic legitimate publishers. These sites pose significant threats to ad spend and campaign performance, emphasizing the need for advanced tools to combat fraud and low-quality inventory in the era of generative AI.
6. <https://ppc.land/ad-fraud-on-the-rise-gen-ai-makes-schemes-more-sophisticated/> - DoubleVerify's 2024 Global Insights Report highlights a significant increase in new ad fraud schemes, with fraudsters exploiting advancements in Generative AI to target emerging platforms like Connected TV and streaming audio. The report notes a 23% surge in new fraud schemes and variants compared to the previous year, with unprotected advertisers facing a fraud/SIVT violation rate as high as 17%. Generative AI is identified as a key driver behind the rise in new ad fraud schemes, enabling fraudsters to create more realistic data patterns, making detection more challenging.
7. <https://integralads.com/apac/insider/fraud-generative-ai-marketers/> - Generative AI enables the creation of realistic-looking websites filled with fake content, including articles, reviews, and product listings. Fraudsters can use AI to ingest legitimate content from external sources and transform it into seemingly original articles and news stories. These sites can then host fraudulent ads and generate fake impressions. Additionally, AI can falsify impressions by creating fake user agent strings, making it appear as if impressions are coming from legitimate devices and browsers, thereby facilitating large-scale fraud.