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USC Annenberg Lab Ad Transparency Report

Third Edition

March 29th 2013

This is the third in the ongoing series of reports from the Annenberg Innovation Lab at the University of Southern California which explores the advertising networks which support major illicit file sharing sites around the world. Similar to last month's edition this report draws from a longitudinal dataset taken from one month of observation of the top 500 URLs with the most Digital Millennium Copyright Act (DMCA) takedown notices as provided by Google's Transparency Report. By observing changes month over month it is possible to determine what shifts have occurred within this particular subset of the multi-billion dollar advertising market.

For the month of March the top ten advertising networks on illicit file sharing sites are as follows:

1. Propellerads
2. Exoclick
3. Infolinks
4. Adcash
5. Admxr
6. Adsrevenue (Newcomer)
7. Yahoo/Right Media
8. SupremeAdserver (Newcomer)
9. Trix.net (Newcomer)
10. Sumotorrent

With roughly one third of the top ten being comprised of newcomers this indicates that the ad market is extremely fluid and changing month to month, hence the need for ongoing observation through these monthly reports. However PropellerAds remains in the number one position as an important provider of advertisements to illicit file sharing sites and several other networks have climbed the rankings. This suggests both a willingness to shift providers among file sharing sites and the ability within sections of the advertising business to meet and serve this demand. Future iterations of this report will continue to track this process to see if systematic trends emerge but making long term forecasts is currently impossible given the brief time window in which this report has been operational.

Brands

Online advertising is a critical part of many media enterprises, helping to fund and distribute word about upcoming releases and aiding consumers in discovering new and interesting forms of content. Advertising revenue also provides funding to DMCA-compliant content distributors ranging from major producers down to small blogs. However this same funding which helps benefit artists and copyright holders can also support illicit file-sharing sites and subsidize the infrastructure needed to serve content for those willing to download it.

Due to the convoluted natures of the advertising marketplace and the on-demand bidding process brands which *do not* support illicit file-sharing can come to have adverts placed on non-DMCA compliant websites, providing an in-direct form of subsidy. In an effort to highlight this issue a small subset of the sites surveyed in this month's report were subjected to further visual analysis to determine what (if any) could be found.

Adidas	Lexus
Advil	Lincoln
Allstate	Lysol
Allurez	M&Ms
Amazon	Mazda
American Express	Mini Cooper
American Heart Association	Miracle Whey
Ancestry.com	National Guard
AT&T	Nationwide Insurance
BestBuy	Neiman Marcus
Bing	Nextag
Chevy	Pizza Hut
CitiCard	Pottery Barn
Citrix	Progressive
Domino's	Target
Firestone	Tomy
Ford	Toyota
Fry's	Travelocity
Google Play	U.S. Army
GovMint	Verizon
Gucci	Walmart
GUM Oral Care	Wayfair
Honda	William and Mary
HP	Windows 8
IKEA	World of Warcraft
JW Marriot	Xfinity

In addition to the aforementioned major brands numerous small businesses and websites were also featured, demonstrating that this issue is not simply limited to large corporations.

Given the sample size and the fact that these results were obtained using a cookie-free webscraper the aforementioned results cannot be taken as a representative sample of all brands who appear of non-DMCA compliant websites. Different users with varied browsing histories may see different major brands or none at all depending on their unique profile and usage patterns.

While we note a strong move by major ad networks such as Google, Quantcast and Open X as well as ad agencies like Group M and Omnicom to block Pirate sites, there is also a counter trend. Recently American Eagle Clothing and ad agency TWBA/Chiat Day have backed a campaign titled "Piracy is Progress" by a relatively unknown band called Ghost Beach. A large billboard above the American Eagle store in Times Square has been put up. Whether this is just a publicity stunt or a real counter trend, we can't help but contrast this to the moves of Levi Strauss to make sure it's ads did not appear on pirate sites.


Methodology

Ad networks identified in this report were isolated by scraping and examining samples of HTML and Javascript code taken from URLs identified by the Google Transparency Report. Drawing from a sample of sub-URLs within each site the raw code of each page was examined and compared against a database of know advertiser tags to determine which networks were involved in a specific site. Visual corroboration was provided by capturing screenshots

displaying the advertisements in question, these screenshots also formed the basis for the aforementioned brand identification process.

In some instances the presence of ad code does not always mean that the network is actively serving advertisements to the URL in question. In an attempt to address this situation and to ensure that our methodology discriminates between advertising tags and similarly structured analytic tools the Innovation Lab has and continues to be willing to engage in dialogue with members of the advertising community in order to ensure the ongoing fairness of the report This serves as a collaboration to the code analysis which ensures that the networks identified are actively serving adverts to the URL in question.
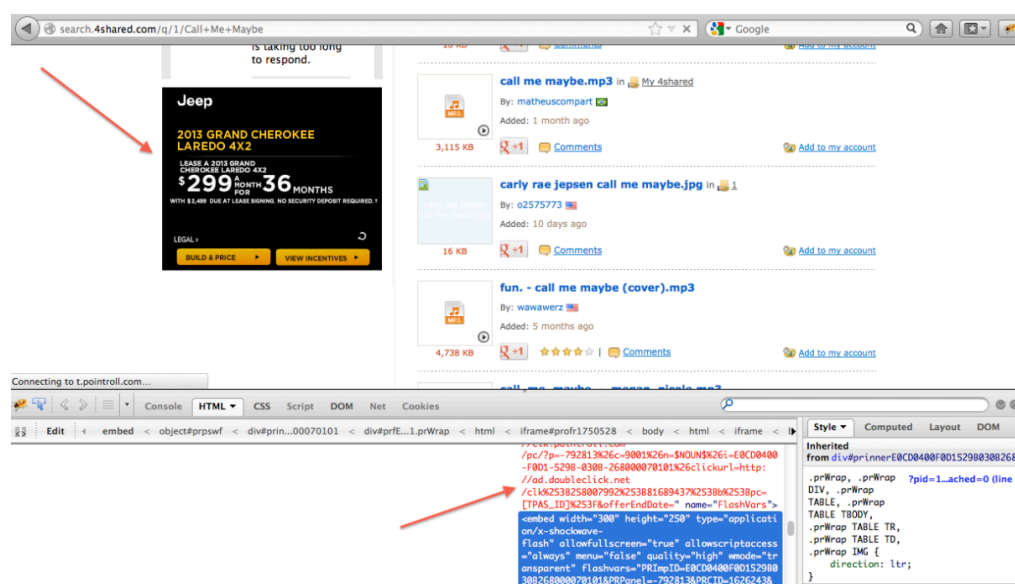
Going Forward

Given the complex nature of online advertisements and the fluid nature of the marketplace the Innovation Lab aims to continue publication of these reports for the foreseeable future. It is our hope that this information will serve three distinct purposes. Given that many advertising networks have a ban on illicit file-sharing written into their terms of use this report should serve as a mechanism to highlight possible violations among clients. For those seeking to purchase advertisements the Ad Report is also a helpful guide to determine which networks serve sites that align with a client's needs. Finally for the general public the report serves as an educational opportunity, demonstrating the complexity of the online advertising business and as a tool for understanding the role which ads place in content creation and dissemination. In order to strive towards these goals the lab welcomes any and all dialogue with advertisers, networks or members of the public who are seeking clarification or more information about the report or other projects hosted within the organization.