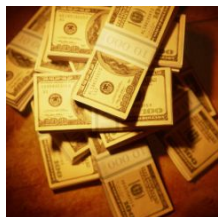


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By: Marius Oiaga, Technology News Editor



## **800.000.000 \$ in Click-Fraud**

### *Yahoo views click fraud as a serious, but manageable challenge*

A recent study made public by the research and advisory firm Outsell warns that Google, Yahoo and MSN are the incontestable leaders in the amount of click-fraud that slips into their services only to their detriment. "Click Fraud Reaches \$1.3 billion, Dictates End of 'Don't Ask, Don't Tell' Era" reveals that out of the \$1.3 billion damages, advertisers pay no less than 800 million dollars on fraudulent-clicks. There is also a shift in the market. One that amounts to 500 million dollars, representing financial resources that have been reoriented onto other advertising environments rather than on pay-per-click advertisements. The sum signals the start of a depreciation in what proved to be so far a lucrative market, unless there will be a change in security policy to protect advertisers from fraud. The current percentage of fraudulent clicks is estimated at 14.6 percent, but there are studies which claim that in some cases it goes as far as 30%. Out of the 407 advertisers that were the subjects of the study, 27% have confirmed that they were victims of click fraud, and that they decreased the amounts spent on pay-per-click advertising, or, in some cases have renounced such advertising services altogether. "We take this issue very seriously, have devoted significant resources to it, believe we manage it very well and believe the problem is small," claims a Google representative in response to the fraud reports, as Google's main source of income relies on pay-per-click advertisements. "Yahoo views click fraud as a serious, but manageable challenge. In fact, it was one of the first challenges we identified when we created the pay-per-click advertising model in 1998, which is why we built a robust, proprietary click through protection system very early on," stated a Yahoo representative while the online giant claims that it has not billed billions of clicks that were potentially fraudulent.