Silicon Valley Lies Like A Dog About Ad Views

Google and Facebook have 80% less real people that see their ads than they say. Google, Facebook and Twitter criminally lie to advertisers.

Facebook inflates its ad reach by millions, analyst claims

Reuters

<u>Facebook</u> inflates the number of people who can see the advertisements on its platform, a Pivotal Research Group analyst said in a note.

Facebook's Ads Manager claims a potential reach of 41 million 18- to 24-year olds and 60 million 25to 34-year olds in the United States, whereas U.S. census data shows that last year there were a total of 31 million people between the ages of 18 and 24, and 45 million in the 25-34 age group, the analyst said.

"While Facebook's measurement issues won't necessarily deter advertisers from spending money with Facebook, they will help traditional TV sellers justify existing budget shares and could restrain Facebook's growth in video ad sales on the margins," said research analyst Brian Wieser, who maintains a "sell" rating on the stock with a price target of \$140 for year-end 2017.

Facebook said, "They (reach estimates) are designed to estimate how many people in a given area are eligible to see an ad a business might run. They are not designed to match population or census estimates."

The estimations are based on several factors such as user behavior, user demographics and location data from devices, Facebook said in a statement, in response to the research note.

In September last year, Facebook told advertisers that the average time users spent viewing online ads was artificially inflated, because it was only counting videos that were watched for at least three seconds, its benchmark for a "view."

In November 2016, Facebook launched a new blog on its website called Metrics FYI, to share updates and corrections for its data.