

Beaconsoft – An Introduction

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25th January 2023
Commercial in Confidence

Our Driving Passion is to Reduce Fraud in Online Activities

➤ Why?

Because our clients want to deal with humans, and not bots pretending to be humans (and stealing their budgets).

➤ How?

We detect and eliminate unwanted bots, quickly, accurately and transparently through our award-winning ML tech.



Beacon is a member of the Trustworthy Accountability Group, the leading global initiative fighting to stop criminal activity and increase trust and transparency in digital advertising.



Beacon is a member of the Northern Powerhouse Partner Programme.

Innovate UK

Beacon awarded InnovateUK funding to develop IP.



Best Martech Innovation 2021



Cyber Award Winner 2021



Tech Nation Rising Star 2020



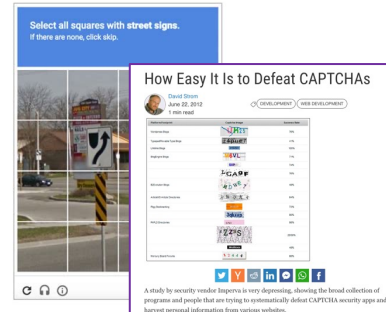
Best Marketing Tool 2021



Innovation of the Year 2022

Bots Destroy Budgets, Democracy and Lives

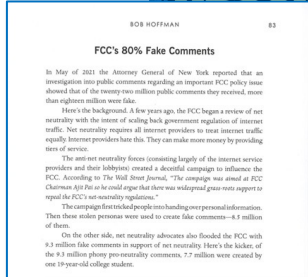
- **The problem of 'bots' engaging with websites for fraud is growing rapidly.**
- Bots ...
 - break websites
 - compromise data,
 - lead to financial losses,
 - steal content,
 - set-up fake accounts,
 - break into genuine user accounts,
 - pollute data and analytics
- ... and gather information that might be useful in future attacks.
- And it impacts every website ...
 - ... no one is immune.



Solutions like 'reCAPTCHA' are easy to defeat, unreliable and have a negative user experience impact



Damage from cybercrime is simply huge and impacts all businesses



Stolen persona's accounted for >8.5m comments on just one piece of US legislation in 2021; 7.7m created by one 19-year-old college student!



Click fraud in search/social advertising can often waste 40% of ad budgets

* <https://www.helpnetsecurity.com/2021/09/16/bot-attack-volumes/>

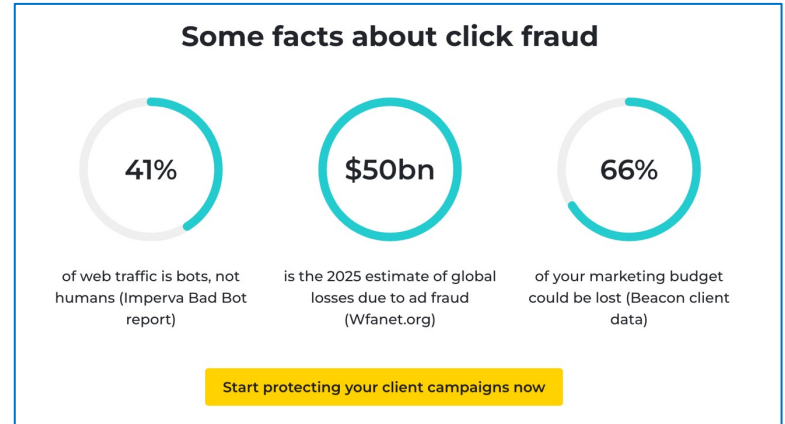
Huge Daily Damage From Online Ad Fraud

Ad fraud is the every-day culprit behind much of the budget wasted in on-line advertising.

Organised largely by criminals for profit, ad fraud is often carried out by bots designed to look human (and occasionally by human 'click farms').

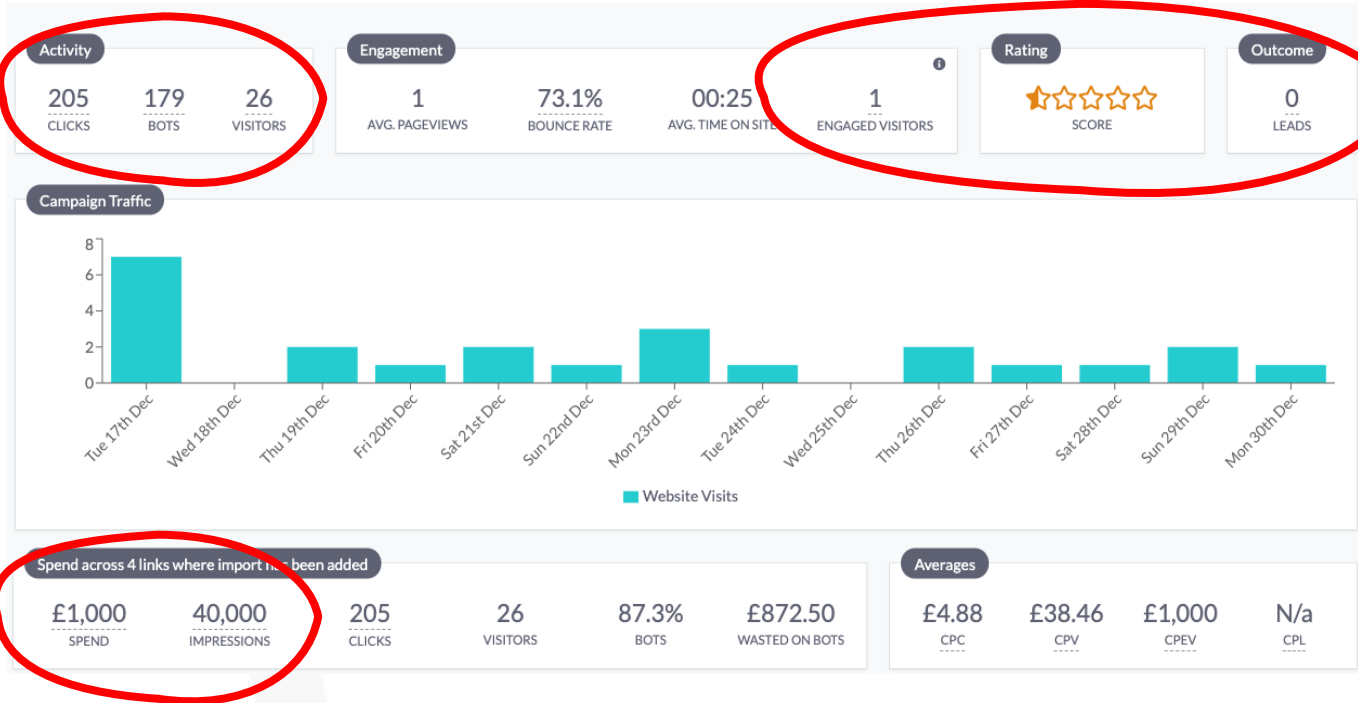
Ad fraud leads directly to two problems:

- 1) **Waste of \$100m a day in advertising budgets**
- 2) **Inaccurate advertising and campaign data** (leading to poor decision making and risk management)



If it were measured as a country, cybercrime — which was predicted to inflict damages totaling \$6 trillion USD globally in 2021 (\$190,000/second!) — would be the world's third-largest economy after the U.S. and China.

Online Advertising Misinformation from Bot Impact



Beacon - Stops Bots, Stops Waste, Cleans Data, Improves Campaigns

- *Beacon* uses advanced ML to improve efficiency and effectiveness in *search and social advertising* on channels including Facebook, Google, Instagram, Microsoft, LinkedIn.
- *Beacon* detects bots, removes them from the website, the process and the analytics data for all websites and prevents wasted budget
- *Beacon* gives independent, validated *human* visitor data for better campaign optimisation.

BEACON INCREASED
GENUINE HUMAN
CAMPAIGN VISITORS BY
59% FOR GENPOWER



"As a growth performance agency, we rigorously measure client campaigns and have ambitious ROAS targets. Using Beacon to combat ad fraud gives us accelerated campaign performance and clean and accurate data."



Malcolm Graham
Agency Director

"Early reports from Veracity demonstrate to me that Veracity will give us knowledge that we wouldn't be able to get from other sources, to improve our website performance by disengaging bots at the earliest opportunity."



Fashion Retailer PoC Improvements

French D2C fashion retailer

Dramatic reduction in
bot% from 24.6% to 8.5%

and improvement in the
CPV/CPC ratio
(spend effectiveness)

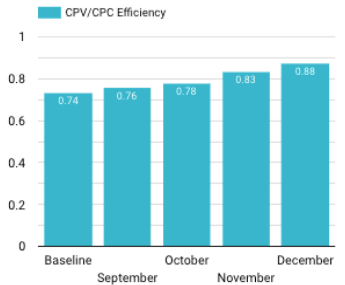
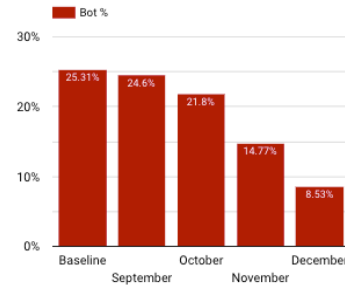
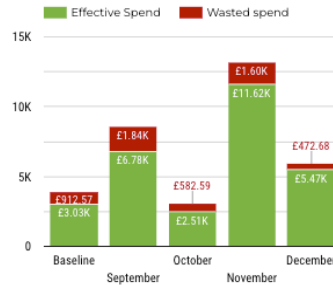
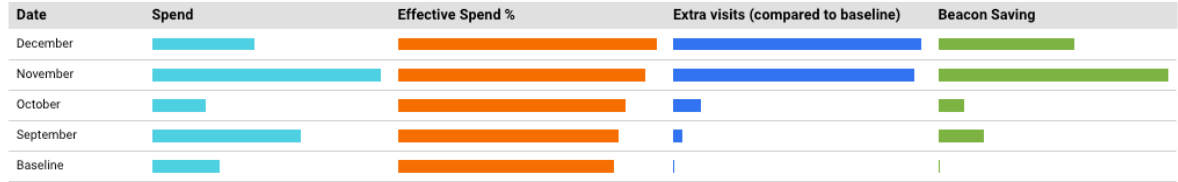
Updated
15 Dec 2022



Baseline Bot %
25.3%

September / October / November / December

Date	Clicks	Visitors	CPC	CPV	Bot %	Engaged visits %	Spend	Effective Spend	Beacon Saving	Extra Visits
December	41,861	38,290	£0.14	£0.16	8.5%	62.3%	£5,942.75	£5,470.07	£1,031	7,019
November	64,761	55,194	£0.20	£0.24	14.8%	73.6%	£13,216.08	£11,615.34	£1,743	6,817
October	22,152	17,323	£0.14	£0.18	21.8%	70.4%	£3,093.40	£2,510.81	£200	775
September	39,557	29,826	£0.22	£0.29	24.6%	58.1%	£8,618.79	£6,780.40	£342	276
Baseline	15,624	11,669	£0.25	£0.34	25.3%	50.8%	£3,942.09	£3,029.52	£0	0

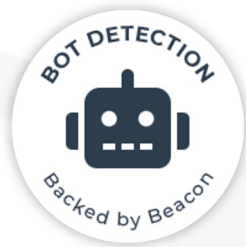


Beacon Demo



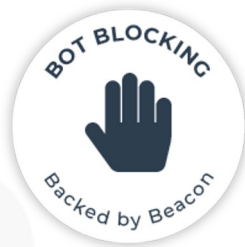
Reduced Fraud, Improved Data Accuracy, Better Measurement, Better ROAS

- in 5 Easy Steps



Detect Bots

Reveal & report bot clicks on paid ads for all channels. Identify the humans!



Block Bots

Prevent bot clicks for Facebook, Instagram, Google & Bing paid ads.



Reach More People

Fewer bots means more budget to reach more people.

More humans = higher engagement and more sales.



Waste Less Budget

Waste less budget, to improve Return On Ad Spend.

Reduced waste = increased ROAS.



Trustworthy Data

Feed other parts of your tech stack with better quality data for better insights, decisions and results (or use the Beacon platform).

Better data = better decisions for better measurement and ROI.

Benefits Summary

- **Detects and stops non-human traffic on websites**
- Gives cleaner, clearer, non-biased and accurate visitor analytics
- Improves the two important areas in digital marketing:
 - Ad spend efficiency – *stopping bot clicks on ads*
 - Campaign effectiveness – *better data for better decisions*
- Easy to implement and fits into existing ecosystems
- Delivers ROI very quickly
- Reduces criminality for us all

Additional Agency Benefits....

- Genuine win-win with client based on trust and accuracy
- Better client campaign results leads to longer term trust and retention; opportunity to increase margin and revenue
- Ability to improve results across all clients, developing and applying best practice for benefit of all clients
- Reduction in campaign administration and reporting effort and costs; staff more focused at client satisfaction

Next Steps – How We Engage – PoC Trial Before Commitment

- **2-week audit and familiarisation – Detect phase**
 - This is a FOC audit to determine the impact of non-human clicks on your campaigns.
- **4-8 week - Prevent phase**
 - If bot clicks are found at an impactful level (usually above 10%) then we would recommend moving to this phase. We would deploy the bot-prevention algorithms and look to reduce the bot impact. We charge a nominal fee for this phase irrespective of the data volumes and professional services input required from our team.
- **End of PoC Trial - Insights and Results Review**
 - At the end of the PoC trial we will have worked through a business case and you will have an awareness of the impact of bots and the level of prevention available, plus of course the added insights from accurate data.
- **Longer term commitment if win-win – Beacon platform + Beacon team + you = improved result**
 - If the business case stacks up, we would recommend moving to a full licence that covers both the software and support from our team. For Beacon we recommend that you budget between 1.5% and 2.5% of adspend, which will vary (decrease) on adspend. *We may alternatively price by volume if Beacon is used for non-paid outreach optimisation as well as paid-ads.*

PoC Worked Example & ROI

	Baseline	Now			
CPC	£ 18.56	£ 13.97	-33%		
CPHV	£ 29.38	£ 16.84	-74%		
CPC:CPHV	0.63	0.83	31%	Spend Efficiency improvement	
Bots	38%	16%	58%	Bot reduction	

For this example, the Beacon difference has reduced the bot% by 58% and increased the spend efficiency by 31%



Bot baseline	Bot after 'bedding in'	Spend	Baseline Waste	New waste	'Recovered Waste'
38%	16%	£ 50,000	£ 19,000	£ 8,000	£ 11,000

This has led to a redeployment of £11,000 of recovered wasted spend into additional ad's that drive humans, based on £50,000 spend.



	Baseline	With Beacon	Difference	
# humans / month	27,125	35,534	8,409	31%
CVR = 3.7% # purchases	1,004	1,315	311	
AOV = £42 Revenue	£ 42,152	£ 55,219	£ 13,067	
		less Licence fee	£ 1,250	2.50%
		Additional Revenue less cost	£ 11,817	9.5 x ROI

This has driven 311 more sales and £13,067 additional revenue. Less Beacon licence cost, Beacon has delivered a 9.5x ROI.

NOTE 1: Due to confidentiality this is a worked example, not an actual customer. However, the ROI calculation method is typical of that undertaken during a PoC.

NOTE 2: Beacon is responsible for 'top of funnel' improvements. 'Bottom of funnel' improvements should follow but may vary due to non-Beacon influences and factors such as CPC changes, seasonality, ad-content changes &c.

This excludes additional intangible/unquantifiable benefits, such as:

- Better, more accurate, analytics
- Better data for improved campaign management and improvement
- Less wasted time on reporting and other tasks

Thank you

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Crown
Commercial
Service
Supplier

