Auditing for Bias in Ad Delivery Using Inferred Demographic Attributes

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ABSTRACT

Auditing social-media algorithms has become a focus of public-interest research and policymaking to ensure their fairness across demographic groups such as race, age, and gender in consequential domains such as the presentation of employment opportunities. However, such demographic attributes are often unavailable to auditors and platforms. When demographics data is unavailable, auditors commonly *infer* them from other available information. In this work, we study the effects of inference error on auditing for bias in one prominent application: *black-box* audit of ad delivery using *paired ads*. We show that inference error, if not accounted for, causes auditing to falsely miss skew that exists. We then propose a way to mitigate the inference error when evaluating skew in ad delivery algorithms. Our method works by adjusting for expected error due to demographic inference, and it makes skew detection more sensitive when attributes must be inferred. Because inference is increasingly used for auditing, our results provide an important addition to the auditing toolbox to promote correct audits of ad delivery algorithms for bias. While the impact of attribute inference on accuracy has been studied in other domains, our work is the first to consider it for black-box evaluation of ad delivery bias, when only aggregate data is available to the auditor.

1 INTRODUCTION

Digital ad platforms face increased scrutiny from public-interest researchers and regulators due to their important role in mediating access to information and opportunities. Through external black-box audits researchers have shown that ad delivery algorithms can be biased by demographic attributes such as race [3], gender [28] and age [31] in consequential and legally protected domains such as employment and housing. Following these findings, Meta was sued by the U.S. Department of Justice (DoJ) [53], and in 2022 reached a settlement to deploy a Variance Reduction System (VRS) to reduce bias in delivery of ads for economic opportunities include housing, employment, and credit [2, 54]. This prominent example shows the importance of holding ad platforms accountable through external black-box audits.

The state-of-the-art method for black-box auditing of ad delivery algorithms, and a key setting for our work, uses *paired ads* that are run targeting the same audience and at the same time [3, 4, 28, 29]. Bias is then measured by looking at *relative difference* in delivery along a demographic attribute of interest to the auditor. This setup is the only known methodology that can isolate the role of algorithmic bias in ad delivery from confounding factors, such as market forces and temporal effects (we discuss this setup in §2.2).

A key challenge to applying the paired-ads methodology to auditing ad delivery and to expanding such audits to other protected attributes is unavailability of demographic attributes of users [5, 11, 12]. Auditors have tackled this challenge by using public voter lists From U.S. states that contain these attributes [3, 4, 28]. Some platforms, on the other hand, ask users to voluntarily self-identify to conduct internal audits [35], but this data is not available for external auditors (we summarize such approaches in §3.1). Another technique that both auditors and platforms use is inferring demographic attributes from other available information. For example, Bayesian Improved Surname Geocoding (BISG), is commonly used to infer race from name and location [11, 21] (we expand on these existing approaches in §3.2).

Attribute inference is employed widely across various domains as part of assessing racial disparities and enforcing civil rights laws [1, 9, 11, 23, 57], despite their known misclassification of a significant proportion of individuals [21]. While approaches to correct inference error have been developed [23, 38, 40, 58], they do not directly apply in our setting of black-box audits of ad delivery algorithms due to two constraints. First, correction methods assume inferred attributes or inference probabilities of individuals are directly accessible *at the time of model evaluation*. Unfortunately ad platforms report only *aggregate* data about ad recipients and not per-individual data. We illustrate this challenge in Figure 1: information about individuals is reserved for the platform (inside the shaded box), while auditors see only the proposed targeted audience (left circle) and aggregate results (below the shaded box). Second, prior corrections for inference error focus on evaluating group fairness metrics, such as Demographic Parity, and these do not directly apply the paired-ads approach [16]. For ad delivery, prior work shows that demographic parity for the delivery of a single ad cannot demonstrate lack of bias; instead, auditors must consider *relative differences* in delivery of *pairs* of ads [3, 28], as we describe in §2.2. We expand on how our setting differs from prior studies on mitigating effect of inference error in §3.3.

Our first contribution is to apply the use of inferred attributes to *black-box audit of ad delivery algorithms* for skew that results in discrimination (§5). While the effect of attribute inference error has been studied in other domains [23, 24, 58], our work is the first to consider it for the domain of black-box auditing of ad delivery, where aggregate-only output and reliance on paired-ads requires new approaches. We theoretically analyze and show how attribute inference error can lead to underestimating measurement of skew in ad delivery. Our findings show that attribute inference error in

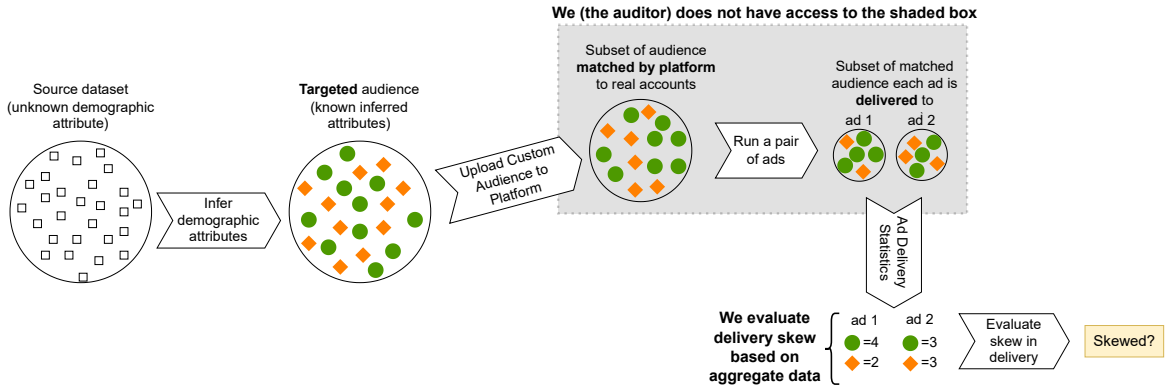

Figure 1: Decoupling between attribute inference step and evaluation of skew in black-box auditing of ad delivery algorithms. Only aggregate size of demographic groups (no individual-level data) is available at the time of skew evaluation.

the constructed audience, if not explicitly accounted for, can lead to failure to detect skew that exists in an ad delivery algorithm.

Second, we contribute an inference-aware approach to skew evaluation that corrects for inference error (§6). We correct skew evaluation by modeling how inference error rates propagate from the targeted audience to the actual ad recipients. Our model of inference error then allows us to estimate error in the delivery audience, and therefore in the evaluation of the platform's algorithms for potential skew. Our approach can be generalized to any attribute inference method for which the inference error rates (defined in §4.2) can be estimated on datasets with ground-truth demographics.

Our final contribution is to demonstrate that our inference-aware evaluation is effective at detecting skew that we would otherwise miss when ignoring inference error (§7). To validate our proposed correction, we estimate inference error on a real-world population and then use simulated ads to sweep through the space of parameters that reflect different possible conditions. We show uncorrected data can fail to detect skew when the sample size available is small (§7.2) or when the true skew of the platform's algorithm is small but statistically significant (§7.3), two conditions that are common in practice [28, 29]. We then apply our proposed solution to correctly detect skew under these conditions. We use simulated ads to vary the true level of skew, a capability that is not feasible with real ads, and because exploring the full parameter space with real ads would be prohibitively expensive [4, 28].

Our findings underscore that attribute-inference methods are useful for detecting bias in ad delivery algorithms, but also that one should account for inference error when applying these methods to evaluate bias. Our proposed method for inference-aware bias evaluation shows a path to expand auditing beyond a handful of U.S. states whose voter records contain labeled demographic attributes [17]. This advance relaxes the limitation of prior bias evaluation to these regions with demographic-rich voter datasets [3, 29, 31, 48]. It also provides a pathway to audit disparities across other protected attributes, such as gender or age, if inference probabilities can be estimated. Moreover, our results suggests that the industry should carefully account for inference error when applying bias-correction methods to ad delivery, such as Facebook's VRS [54].

2 MOTIVATION AND PROBLEM STATEMENT

In this work, we propose applying use of inferred demographic attributes to *paired-ads* methodology from prior work for auditing ad delivery algorithms. In this setting an auditor only has external *black-box access* to an ad platform (see Figure 1). We focus on paired-ads methodology because it is the state-of-the-art method for auditing ad delivery that has been effective at uncovering algorithmic harms to individuals and society [3, 4, 28, 29], supporting regulatory actions against platforms [52], and pushing platforms to mitigate biases in their systems [43, 54]. In this section, we motivate and expand on why we focus on adapting this specific methodology to use inferred demographic attributes.

2.1 Need for Black-box Audits of Ad Delivery

Black-box auditing has proved to be crucial for assessing harm in how ad delivery algorithms shape access to information and opportunities. By "black-box" we refer to a setting where the auditor conducts an audit using only platform features available to any regular advertiser.

Prior black-box audits of ad delivery algorithms have uncovered biases and discrimination against protected demographic groups [3, 4, 28, 29, 47]. Starting with Sweeney's study in 2013 [51], numerous studies hypothesized biased or discriminatory outcomes can be a result of platforms' algorithmic decisions, and not the targeting choices made by advertisers [18, 19, 32]. This hypothesis was proven by Ali and Sapiezynski et al. by showing, via a black-box audit, that delivery of job and housing ads are biased by gender and race, even when an advertiser targets all demographic groups equally [3]. This work served as a starting point for a DoJ lawsuit against Meta [53] and motivated a subsequent study that demonstrated the bias in job ad delivery can not be explained by differences in qualification of ad recipients [28]. Other follow-up studies showed the harm extends to other societally important domains such as politics [4], education [29], and climate[47]. Given the far reaching effects of such harms, continued improvement of black-box auditing methods such as the one we propose in this work is an important step for keeping platforms accountable.

2.2 Need for Paired-Ads Approach

One technical challenge black-box auditors face is definitively attributing biased ad delivery to platforms' algorithms as opposed to market effects, differences in who is online, or other potential confounding factors. For example, an ad may be delivered to less fraction of women than men because women are more expensive to reach [19, 32]. Using *paired-ads* is a state-of-the-art methodology that has proven to be important for controlling for such factors [3, 4, 28, 29], and therefore, is key to the uniqueness of the setting we study. Conclusively demonstrating that platform-driven algorithmic decisions are the root cause of biased ad delivery is important for informing regulators tasked with enforcing anti-discrimination laws [18].

In this methodology, an auditor runs a *pair of ads* targeting the *same audience* and *at the same time*. The auditor selects the paired ads based on some de-facto skew that the auditor hypothesizes the ad delivery algorithm will propagate. For example, one may select ads for two jobs predominantly occupied by men and women, respectively, and hypothesize that a biased algorithm will show the ad for the predominantly men-occupied job to relatively more men, and vice-versa for the second ad. The auditor tests for bias by comparing the *relative difference* in how the two ads are delivered.

This setup, first proposed by Ali and Sapiezynski et al. [3], is the only known approach to date to isolate the role of ad delivery algorithm for discrimination. It controls for other confounding factors, such as market effects and differences in platform usage, by ensuring both ads are affected equally such that any relative difference between the two ads is attributable to choices made by the ad delivery algorithm. Prior audits that did not rely on a paired-ads approach did not control for such relevant factors [32, 51], and therefore, were not sufficient to be used by regulators to bring discrimination claims against platforms. Platform-driven biases uncovered through the pared-ads approach ultimately led to the first successful legal action against Meta that led to the deployment of VRS [53, 54].

One constraint to widely applying the paired-ads methodology is it requires knowing the demographic attributes of ad recipients, which may not be available to auditors. To address this challenge, we explore the feasibility of using inferred attributes for conducting ad delivery audits using paired-ads approach. We next discuss prior work related to the approach we study.

3 RELATED WORK

Lack of access to demographic attributes, particularly those that can be deemed sensitive, such as race, gender, religion, disability status poses a challenge to auditing methods trying to assess algorithmic disparities based on protected characteristics [5, 12, 27]. A recent report led by the Center for Democracy and Technology highlights the challenge remains despite increasing push by governments and policymakers to assess algorithmic systems for bias, and summarizes the various methodologies that practitioners currently use, such as collection and inference of attributes [11].

3.1 Collecting Demographic Attributes

In the context of black-box auditing ad delivery algorithms, collecting demographics from voter datasets is a commonly used approach [3, 28, 29, 31, 50]. Other options, such as collecting data from volunteers [44], have been tried but have not gained as much traction as the voter datasets approach (the latter are available at a lower cost and are easily accessible). However, there are only a few states in the U.S. whose publicly available voter datasets contain demographic attributes such as race [17].

Platforms conducting internal audits of their algorithmic systems can request users to voluntarily self-identify their race to support fairness efforts, as seen with Meta and LinkedIn [2, 35]. However, many platforms choose not to collect race information at account creation due to privacy concerns and the potential misuse of data [2]. Other platforms such as Apple have used federated approaches to analyze demographic data on users' devices to avoid centrally collecting data [55]. Our work focuses on external black-box auditing without access to self-identified demographic data collected by platforms.

3.2 Inferring Demographic Attributes

Another common approach is to *infer* demographics when external data sources or self-identification is not possible. BISG is a commonly used method for inferring race from name and location [21], and has been applied to examine disparities in lending [9, 13], healthcare [1], tax auditing [23], mortgage pricing [57], and human-mobility [39]. Other studies have proposed transfer learning from domains for which demographic data is already available [6, 30], or using machine-learning to infer attributes [15, 40]. Another method infers gender from first name [36]. Airbnb uses human labeling to infer perceived race from names and photos of users, and uses inferred race to measure racial discrimination against its users [10]. LinkedIn infers user age from graduation dates, and gender from first names and pronouns, but they do not disclose details of their mechanism [34]. We too infer demographics, but are the first to explore its use for black-box audit of ad delivery.

More closer to our work is the use of BISG to evaluate racial disparity in Meta's VRS [2]. Following a historic settlement between Meta and the U.S. Department of Justice [52], Meta agreed to implement VRS to address unfairness in the delivery ads for economic opporunities [54]. The system was originally deployed for housing ads in January 2023, and later that year for employment and credit ads [7]. Meta employs BISG to estimate the racial composition of the delivery audience of an ad and make adjustments accordingly. While Meta's publication acknowledges BISG's misclassification rate, it is not clear if their VRS implementation considers such error, and their paper does not explicitly consider it. Unlike Meta's internal evaluation, we explore how to factor inference error in external black-box auditing of ad delivery, providing a method to account for inference error.

Effects of Ignoring Inference Error: Although tools to infer demographics such as race and gender are widely used, they are known to have high misclassification rates [6, 37]. Prior studies have shown that uncertainty in demographic attributes may lead to inaccuracy in both building fair algorithms [45, 49] and measuring demographic disparities [9, 16]. Another study used inferred race in fair-ranking algorithms, and showed inference produces unfair rankings by skewing the demographics represented in the top-ranked results unless the race inferences are highly accurate [25]. Rieke et al. also show that race inference methods lead to significant error in the magnitude of estimates of racial disparities

among Uber users, either underestimating or overestimating these disparities [46]. However, they demonstrate the methods may still be useful in detecting the direction of disparity. In our work, we also show ignoring inference error can lead to underestimating skew in ad delivery. We additionally propose a method to correct for inference error for the paired-ads approach.

3.3 Mitigating Effect of Error in Demographic Attributes

A number of studies have proposed methods to correct for inference error when estimating algorithmic disparities, but they do not apply to our restricted setting of black-box auditing ad delivery using paired-ads. Our setting has two unique constraints. First, only aggregate data is available during model evaluation, as illustrated in Figure 1. The auditor does not have access to the individual-level uncertainty of attributes that most approaches rely on for model evaluation. Second, because our method relies on evaluating relative differences between a pair of ad campaigns, one cannot apply standard group fairness metrics on a single ad to evaluate bias.

In a line of work that studies the effect of inference error on algorithmic audits, Chen et al. derives the statistical bias in estimating algorithmic disparity using inferred demographic attributes for one group fairness metric: demographic disparity [16]. Wastvedt et al. generalizes their approach to extend to other popular group fairness notions [56]. The statistical bias they demonstrate motivates the need to account for inference error in our work. However, their specific analysis based on group fairness metrics does not apply to our specific setting that evaluates the relative difference in delivery between two ads. One cannot test a group fairness metric on a single ad to evaluate bias in ad delivery due to confounding factors (see §2.2).

Another group of work proposes methods to correct for inference error when evaluating algorithmic biases. Concurrent to our work, two working papers propose a method to estimate disparities while adjusting for noise in inferred demographic attributes [38, 40]. While the goal of these studies is similar to ours, they use an approach that relies on propagating the uncertainties in demographic attributes to model evaluation. Elzayn et al. also use probabilities of raw inference to bound the true racial disparity given estimates based on inferred attributes [22, 23]. Ghazimatin et al. identifies how true algorithmic disparity can be estimated using inferred attributes, but unlike our setting, they focus on fairness in ranking [24]. Zhu et al. propose using a family of demographic inference methods to debias the estimate of true algorithmic disparity [58]. Compared to these studies, our work addresses the stricter requirements of black-box auditing, where only aggregate data is available to the auditor during model evaluation. This requirement makes it infeasible to apply corrections that track specific individuals, their inferred attributes, and corresponding probabilities.

Another line of work studies how to build fair algorithms while accounting for noise in demographic attributes. While these studies consider similar models of noise in demographic attributes, they address a different problem of *training* a fair algorithm instead of *auditing* an existing algorithm. Fair-classification is one prominent domain where noise-tolerant training algorithms have been proposed [26]. Beyond fair-classification, other studies have explored the problem of noisy demographic attributes for fair subset-selection [41] and fair-ranking [25, 42]. Lamy et al. proposes an approach for fair-classification with noisy binary demographic attributes that works by adjusting the desired "fairness tolerance" based on estimates of noise in the attributes [33]. Celis et al. extends noise-tolerant fair-classification to non-binary noisy demographic attributes [14]. A related study by Awasthi et al. identifies specific conditions for noise in demographic attributes under which a classifier's fairness can be ensured [8]. These studies on noise-tolerant fair-classification are similar to our work in that they consider the effect of noisy demographic attributes and consider a group-level noise model where the error in the attributes is the same for all individuals in a single (inferred) demographic group. But they consider group fairness metrics that cannot be directly applied to black-box auditing ad delivery where disparity is measured using aggregate data and by looking at relative performance of a pair of ads.

4 ADAPTING PAIRED-AD AUDITING TO USE INFERRED RACE

Our approach combines paired-ad auditing with inferred demographics. We cannot then simply infer demographic attributes and use the auditing result as-is, since inference methods are known to have error. We therefore next build a model of inference error and how that error propagates through to skew evaluation.

4.1 Auditing with True Demographic Attributes

Before considering inference error, we first discuss from prior work the simpler case of conducting an audit using true demographic attributes. Let set A represent the audience of various demographic groups targeted by the auditor. The auditor runs a pair of ads (ad #1 and #2) targeting the same audience A constructed using true demographic attributes. Set A does not necessarily need to contain equal numbers of individuals from the different demographic groups; prior work provides a method to account for such variation [3]. However, auditors typically target audiences where the population is approximately equal by race to avoid discrimination in targeting.

Platforms report aggregate information about ad impressions of the ads run by the auditor providing factors such as their distribution by location, but not demographic attributes. We therefore assume an auditor determines the true demographic attributes of ad recipients by constructing audiences so that location reports correspond to demographic attributes (prior work provides an example of such constructions in practice [3, 28]; we omit this detail in the rest of this paper).

We next introduce notation for ad delivery statistics when the auditor targets using true demographic attributes. For concreteness, we consider race as the attribute of interest. Let $n_{1,b,t}$ and $n_{1,w,t}$ represent the users that saw the first ad and are Black and White, respectively. As summarized in Table 1, we use the subscript '*' as a placeholder to indicate the type of attribute (For example, t denotes we are using true race). One can define the corresponding terms for the second ad ($n_{2,b,t}$, $n_{2,w,t}$).

For an attribute other than race, "b" and "w" can represent the disadvantaged and advantaged demographic groups, respectively, that are relevant for that attribute. We consider the ad being advertised is for a valuable economic opportunity such as housing,

education, or employment. Therefore, our concern is that the platform's algorithms will underrepresent the disadvantaged group in the delivery audience.

We apply a Z-test for difference in proportions to test whether there is statistically significant difference between the fraction of Black individuals that saw each ad. We define the test as: $ZTEST(n_{1,b,*}, n_{1,w,*}, n_{2,b,*}, n_{2,w,*})$, which takes the ad delivery statistic for the two ads and outputs a Z-test statistic. We also pick a level of significance α (typically, 0.05), determine the corresponding critical value of Z_α from the Z-table for standard normal distribution, and conclude that there is a statistically significant racial skew in the ad delivery algorithm if the test statistic is greater than Z_α.

When targeting with true race, we calculate the test statistic (Z_t) by using the ad delivery statistic based on true race:

$$Z_t = ZTEST(n_{1,b,t}, n_{1,w,t}, n_{2,b,t}, n_{2,w,t}) \tag{1}$$

We next describe the details of the statistical test ($ZTEST$). While Equation 1 shows how we apply it when targeting with true race, we later use the same test for when we target with inferred race (§4.3). In describing the test below, we use "Black" and "White" generically; they could refer to true or inferred race depending which case we are operating in.

We first calculate the fraction of Black users that saw each ad as: $s_{1,b,*} = \frac{n_{1,b,*}}{n_{1,b,*}+n_{1,w,*}}$ and $s_{2,b,*} = \frac{n_{2,b,*}}{n_{2,b,*}+n_{2,w,*}}$. We then compare $s_{1,b,*}$ and $s_{2,b,*}$ and evaluate whether there is statistically significant racial skew in ad delivery. In the absence of a skewed ad delivery algorithm, we expect: $s_{1,b,*} = s_{2,b,*}$. We use D_* to represent the skew in ad delivery, which is the difference between $s_{1,b,*}$ and $s_{2,b,*}$: $D_* = s_{2,b,*} - s_{1,b,*}$ Our null hypothesis is that $D_* = 0$, and the alternate hypothesis is $D_* > 0$. We calculate the test-statistic as follows:

$$ZTEST(n_{1,b,*}, n_{1,w,*}, n_{2,b,*}, n_{2,w,*}) = \frac{D_*}{SE_*} \tag{2}$$

where $SE_* = \sqrt{\hat{s}_{b,*}(1-\hat{s}_{b,*})\left(\frac{1}{n_{1,*}} + \frac{1}{n_{2,*}}\right)}$, $n_{1,*} = n_{1,b,*} + n_{1,w,*}$ and $n_{2,*} = n_{2,b,*} + n_{2,w,*}$ and $\hat{s}_{b,*}$ is the fraction of the disadvantaged group in combined set of all people that saw at least one of the two ads: $\hat{s}_{b,*} = \frac{n_{1,b,*}+n_{2,b,*}}{n_{1,*}+n_{2,*}}$.

4.2 Inference Error in Audience Construction

We next define the error rates for an ad audience constructed using inferred attributes. For simplicity, we consider three categories of race: White, Black, and Other. Exploration of more complicated models (such as those using more categories) is future work.

We consider a constructed audience A, selected by the auditor to consist of inferred White and Black people. Some individuals inferred as Black might not actually be Black. The upper box of Figure 2 illustrates this error. The box represents *Black-inferred* population, but some are other races—here it is the bottom row of orange diamond and blue triangles. We define the *False Discovery Rate for Black individuals*, or $FDR_{*,b}$, as the ratio non-Black individuals in this Back-inferred population. Since we consider only three categories of race ("Black", "White", and "Other"), this error is a sum of the ratio of White individuals ($FDR_{w,b}$; orange diamonds) and "Other" individuals ($FDR_{o,b}$; blue triangles) among

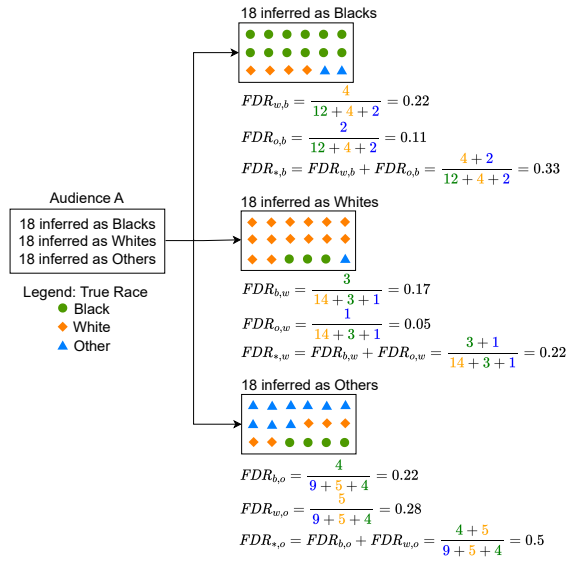

Figure 2: An illustration of how False Discovery Rates are calculated for an audience constructed with inferred race. All values shown are fractions of individuals.

the Black-inferred population. We analogously define False Discovery Rates for White ($FDR_{*,w}$) and "Other" ($FDR_{*,o}$) individuals, as illustrated in the middle and bottom box of the figure, respectively. The relationship between the different rates is given by:

$$\begin{aligned} FDR_{*,b} &= FDR_{w,b} + FDR_{o,b} \\ FDR_{*,w} &= FDR_{b,w} + FDR_{o,w} \\ FDR_{*,o} &= FDR_{b,o} + FDR_{w,o} \end{aligned} \tag{3}$$

4.3 Evaluating Skew using Inferred Attributes

To evaluate the effect of inference error on skew evaluation, we define the test statistic that an auditor computes according to inferred race. We then describe the parameters and assumptions we use when evaluating the effect of inference error.

We introduce Z_i as the test statistic an auditor computes from an audience that is targeted using inferred race. Let $n_{1,b,i}$ and $n_{1,w,i}$ represent the number of inferred Blacks and inferred Whites that saw the first ad. Let $n_{1,i} = n_{1,b,i} + n_{1,w,i}$. We define $n_{2,i}$, $n_{2,b,i}$ and $n_{2,w,i}$ similarly for the second ad. While $n_{1,i}$ and $n_{2,i}$ contain inferred Blacks and Whites, due to inference error, they may actually contain a mix of true Blacks ($n_{1,b,t}$), true Whites $n_{1,w,t}$, and true Others ($n_{1,o,t}$). By applying Equation 2, the test statistic for racial skew in ad delivery when targeting with inferred race is given by:

$$Z_i = ZTEST(n_{1,b,i}, n_{1,w,i}, n_{2,b,i}, n_{2,w,i}) \tag{4}$$

Parameters and Assumptions: We use the following parameters and assumptions in our analysis of inference error:

Targeted Audience Composition: We set the target audience A to contain equal number of individuals from each demographic group. This choice in our experimental design follows standard practice in prior ad delivery audits [3, 28]. Therefore, when targeting with true

race, the following holds: $a_{w,t} = a_{b,t} = \frac{|A|}{2}$, and when targeting with inferred race, the following applies: $a_{w,i} = a_{b,i} = \frac{|A|}{2}$.

Inference accuracy: We model inference error by assuming error is exactly some expected rate, so the true racial composition of the audience with inferred race multiplied by the error terms defined in §4.2.

Modeling Skew in Ad Delivery: We assume ads are delivered to a fixed fraction, R, of the audience. An algorithmic skew will alter this rate in favor of one demographic group.

We add a parameter S to model skew introduced by the delivery algorithm; $S = 1$ means the algorithm has no skew, $S < 1$ means it delivers fewer ads to the disadvantaged group (b), $S > 1$ means means it over-delivers to the disadvantaged group (b). When the ad being advertised is for an economic opportunity, such as a job for which equal access is important, we consider the algorithm as discriminatory if delivery is biased against the disadvantaged group ($S < 1$). If the ad is considered harmful to users, in which case we consider delivery that is biased towards a disadvantaged group ($S > 1$) to be discriminatory. In this work, we focus on the former scenario where the ad is for an economic opportunity.

We instantiate the above model of skew for race where we consider Black individuals as the disadvantage group. We assume the algorithm makes decisions on the basis of true race (in practice, ad delivery algorithms likely do not explicitly use the race but may have models that have learned proxies of race based on the extensive data they have on users).

We expect the two ads to show different skews, and so model the first ad as skewed against Blacks ($S < 1$) and the second as not ($S = 1$). This model reflects a first ad that reflects a racial bias that is captured by the platform's algorithms, causing skewed delivery. We assume the ad creative chosen for the second ad is neutral. Prior work shows a real-world example that reflects this assumption, where an ad for Hip-Hop music (expected to be skew Black) and a general ad for music (expected to be neutral) are compared [3].

Formally, S is a multiplier representing increased or decreased delivery rate of the first ad: $R \cdot S$ for true Blacks, and $R \cdot (2 - S)$ for true Whites. We assume $0 < S < 2$, where $S = 1$ represents a case where there is no racial skew. For simplicity, we also assume the delivery rate for Whites also applies to people of "Other" race who are included in the target audience. For example, if $R = 0.1$ and $S = 0.87$, then the delivery rate for true Blacks for the first ad will be $0.87 \cdot 0.1 = 0.087$ and the rate for true Whites and "Others" for the first ad will be $1.13 \cdot 0.1 = 0.113$. The rate for all races does not change for the second ad and remains at 0.1. We round the number of impressions to integers after applying the delivery rate.

5 EFFECTS OF ATTRIBUTE ESTIMATION ON AUDITING AD DELIVERY

We next show that using inferred attributes to evaluate ad delivery algorithms can underestimate the true level of skew and thus miss detection of algorithm-induced skew. Although the details of our analysis are specific to race, evaluations for other inferred demographics can follow an analogous path.

We show how inference error can affect evaluation of skew in ad delivery through two theorems. In Theorem 5.1, we consider a baseline case where there is no algorithmic skew and, as a result, inference error does not affect evaluation of skew. In Theorem 5.2, we consider a case with known amount of skew. We show that measuring skew using inferred attributes underestimates the algorithm's true skew, had it been measured using true demographic attributes. These results apply for any attribute inference method with known error rates ($FDR_{*,*}$ defined in §4.2), and assume the specific behavior of skew described in §4.3. Together, these results support our claim that attribute inference must be used carefully with consideration for how inference error affects evaluation of skew in ad delivery algorithms.

Number of	Blacks targeted		$a_{b,*}$
	Whites		$a_{w,*}$
	Others		$a_{o,*}$
Total number of people seeing		ad 1	$n_{1,*}$
		ad 2	$n_{2,*}$
Number of	Blacks seeing	ad 1	$n_{1,b,*}$
	Whites	ad 1	$n_{1,w,*}$
	Others	ad 1	$n_{1,o,*}$
	Blacks	ad 2	$n_{2,b,*}$
	Whites	ad 2	$n_{2,w,*}$
	Others	ad 2	$n_{2,o,*}$
Fraction of	Blacks who saw	ad 1	$s_{1,b,*}$
	Blacks	ad 2	$s_{2,b,*}$
Skew between ads			D_*
Test statistics			Z_*

Table 1: Notations for measurement of skew in ad delivery. The "*" in each is a placeholder for an audience with: t: true race; i: inferred race, ignoring inference error; c: inferred race with omniscient correction; f: inferred race with our solution to accounts for expected inference error.

5.1 First Case: No Algorithmic Skew

We first consider a simple case where there is no algorithmic skew. In this case, we show that measuring skew using inferred demographic attributes does not affect our conclusion of skew:

Theorem 5.1. *If an ad delivery algorithm is not skewed by a protected demographic attribute ($S = 1$), inference error does affect the measurement of skew in ad delivery. Specifically, the skew an auditor measures is 0 in both cases where the auditor targets using true attributes ($D_t = 0$) and inferred attributes ($D_i = 0$).*

The theorem shows that when is no ad delivery skew, measurement of skew ($D_i = 0$) is correct regardless of inference error. We prove the theorem in §5.3, and, in §A.2, illustrate this case in a thought experiment. We find that inference error affects both ads equally, and because we measure skew as *relative* difference in delivery between the ads, we see no overall change in our conclusion.

5.2 Second Case: Skew is Underestimated

In a second case, we add a known amount of algorithmic skew and analyze how it affects measurement of skew in ad delivery. We show that, if the ad delivery algorithm is skewed, measuring skew using inferred attributes underestimates the true skew in the algorithm.

Theorem 5.2. *If an ad delivery algorithm is skewed by a protected demographic attribute ($S \neq 1$), the skew that an auditor measures by targeting using inferred attributes (D_i) underestimates the true skew one would measure using true attributes (D_t): $|D_i| < |D_t|$.*

We prove the result in §5.3, and in §A.2, we provide a concrete example where underestimation hides a skew that exists by making it appear as statistically insignificant. The intuition behind this result is that inference error always pushes towards a neutral outcome, reducing how much skew is observed. This intuition follows from our test process with paired ads: skew is maximized by targeting audiences using true race. Targeting with inferred race produces an actual audience composed of a mix of races. Because we assume algorithm skew operates on true race, the effect of the algorithmic skew is reduced because it only applies to a subset of the mixed audience that matches the true demographic attribute. This claim, that error only underestimate skew, is a contrary to our initial assumption that error could both hide or exaggerate skew. We developed this intuition from examples in Appendix A.

This result demonstrates that auditing ad delivery algorithms for bias using inferred attributes can underestimate true level of racial bias, $|D_i| < |D_t|$. If demographics are inferred, one must consider how error may change their use. This result also suggests that use of attribute inference in real-world applications, such as Meta's VRS [54] should be examined closely. Because our methodology is quite different than their application (we use paired ads and they do not, for example), further examinations are future work.

5.3 Proofs: Theorem 5.1 and Theorem 5.2

Proof of Theorem 5.1: In this proof, we show that inference error has no effect on auditing if there is no true underlying skew in the ad delivery algorithm.

Proof. We derive and compare the skew that an auditor measures when the targets audience A is constructed using true and inferred demographic attributes.

First, we first consider a case where A is constructed using true race. Based on our setup in §4.1, we know $D_t = s_{2,b,t} - s_{1,b,t}$, where $s_{1,b,t} = \frac{n_{1,b,t}}{n_{1,b,t}+n_{1,w,t}}$ $s_{2,b,t} = \frac{n_{2,b,t}}{n_{2,b,t}+n_{2,w,t}}$.

The platform's report the number of true Black and White individuals that see each of the ads ($n_{1,b,t}$, $n_{1,w,t}$, $n_{2,b,t}$, $n_{2,w,t}$) individuals that see the ad. We can write these quantities using the racial composition of the targeted audience ($a_{b,t}$ and $a_{w,t}$), the delivery rate (R) and the skew in the ad delivery algorithm (S):

$$\begin{aligned} n_{1,b,t} &= a_{b,t} \cdot R \cdot S \\ n_{2,b,t} &= a_{b,t} \cdot R \\ n_{1,w,t} &= a_{w,t} \cdot R \cdot (2-S) \\ n_{2,w,t} &= a_{w,t} \cdot R \end{aligned} \tag{5}$$

Using the fact that our audience A contains equal number of true Black and true White individuals: $a_{w,t} = a_{b,t} = \frac{|A|}{2}$, we can now derive the fraction of true Black individuals that see each ad as follows:

$$\begin{aligned} s_{1,b,t} = \frac{n_{1,b,t}}{n_{1,b,t}+n_{1,w,t}} &= \frac{a_{b,t} \cdot R \cdot S}{(a_{b,t} \cdot R \cdot S) + (a_{w,t} \cdot R \cdot (2-S))} \\ &= \frac{a_{b,t} \cdot S}{(a_{b,t} \cdot S) + (a_{w,t} \cdot (2-S))} \\ &= \frac{\frac{|A|}{2} \cdot S}{(\frac{|A|}{2} \cdot S) + (\frac{|A|}{2} \cdot (2-S))} \\ &= \frac{S}{S+(2-S)} = \frac{S}{2} \\ s_{2,b,t} = \frac{n_{2,b,t}}{n_{2,b,t}+n_{2,w,t}} &= \frac{a_{b,t} \cdot R}{(a_{b,t} \cdot R) + (a_{w,t} \cdot R)} \\ &= \frac{a_{b,t}}{(a_{b,t}) + (a_{w,t})} \\ &= \frac{\frac{|A|}{2}}{\frac{|A|}{2} + \frac{|A|}{2}} = \frac{1}{2} \end{aligned} \tag{6}$$

Plugging in $S = 1$, $D_t = s_{2,b,t} - s_{1,b,t} = \frac{1}{2} - \frac{S}{2} = \frac{1}{2} - \frac{1}{2} = 0$.

We next consider the case where an auditor targets an audience A constructed using inferred race and show $D_i = 0$.

In this case, the report from the platform gives us the number of *inferred* Black and White individuals that see each of the ads ($n_{1,b,i}$, $n_{1,w,i}$, $n_{2,b,i}$, $n_{2,w,i}$) individuals that see the ad. We can write these quantities using the racial composition of the targeted audience ($a_{b,t}$ and $a_{w,t}$), the error rates of the attribute inference method, the delivery rate (R) and the skew in the ad delivery algorithm S:

$$\begin{aligned} n_{1,b,i} &= a_{b,i} \cdot (1 - FDR_{*,b}) \cdot R \cdot S \\ &+ a_{b,i} \cdot FDR_{w,b} \cdot R \cdot (2-S) \\ &+ a_{b,i} \cdot FDR_{o,b} \cdot R \cdot (2-S) \\ &= R \cdot a_{b,i} \left[S \cdot (1 - FDR_{*,b}) + (2-S) \cdot (FDR_{w,b} + FDR_{o,b}) \right] \\ &= R \cdot a_{b,i} \left[S \cdot (1 - FDR_{*,b}) + (2-S) \cdot (FDR_{*,b}) \right] \end{aligned} \tag{7}$$

$$\begin{aligned} n_{1,w,i} &= a_{w,i} \cdot FDR_{b,w} \cdot R \cdot S \\ &+ a_{w,i} \cdot (1 - FDR_{*,w}) \cdot R \cdot (2-S) \\ &+ a_{w,i} \cdot FDR_{o,w} \cdot R \cdot (2-S) \\ &= R \cdot a_{w,i} \left[S \cdot (FDR_{b,w}) + (2-S) \cdot (1 - FDR_{*,w} + FDR_{o,w}) \right] \\ &= R \cdot a_{w,i} \left[S \cdot (FDR_{b,w}) + (2-S) \cdot (1 - FDR_{b,w} \right] \end{aligned} \tag{8}$$

We can now derive the fraction of inferred Black individuals that see each ad as follows. From our setup, we know that the audience A contains equal number of inferred Black and inferred White individuals: $a_{w,i} = a_{b,i} = \frac{|A|}{2}$.

$$
\begin{aligned}
s_{1,b,i} &= \frac{n_{1,b,i}}{n_{1,b,i} + n_{1,w,i}} \\
&= \frac{\left[S \cdot (1 - FDR_{*,b}) + (2 - S) \cdot (FDR_{*,b})\right]}{\left[S \cdot (1 - FDR_{*,b}) + (2 - S) \cdot (FDR_{*,b})\right] + \left[S \cdot (FDR_{b,w}) + (2 - S) \cdot (1 - FDR_{b,w}\right]} \\
s_{2,b,i} &= \frac{n_{2,b,i}}{n_{2,b,i} + n_{2,w,i}} \\
&= \frac{(1 - FDR_{*,b}) + (FDR_{*,b})}{(1 - FDR_{*,b}) + (FDR_{*,b}) + (FDR_{b,w}) + (1 - FDR_{b,w})} \\
&= \frac{1}{1+1} = \frac{1}{2}
\end{aligned} \tag{9}
$$

Plugging in $S = 1$:

$$
\begin{aligned}
s_{1,b,i} &= \frac{(1 - FDR_{*,b}) + FDR_{*,b}}{(1 - FDR_{*,b}) + FDR_{*,b} + (FDR_{b,w}) + (1 - FDR_{b,w}} \\
&= \frac{1}{1+1} = \frac{1}{2}
\end{aligned}
$$

Therefore, $D_i = s_{2,b,i} - s_{1,b,i} = \frac{1}{2} - \frac{1}{2} = 0 = D_t$.

□

Proof of Theorem 5.2: We next present our proof for Theorem 5.2 that shows ignoring inference error leads to underestimating skew.

Proof. To show $|D_i| < |D_t|$, we consider two cases: when $D_t > 0$, we show $D_i < D_t$; when $D_t < 0$, we show $D_i > D_t$.

Case 1 ($D_t > 0$): we would like to show $D_i < D_t$. Plugging the definition of D in §4.1, we want to show: $s_{2,b,t} - s_{1,b,t} > s_{2,b,i} - s_{1,b,i}$. From Equation 6 and Equation 9, we know $s_{2,b,t} = s_{2,b,i} = \frac{1}{2}$, so they cancel out. We are then left with showing $s_{1,b,i} - s_{1,b,t} > 0$. Plugging in the expressions we derived in Equation 6 and Equation 9:

$$
s_{1,b,i} - s_{1,b,t} = \left(\frac{\left[S \cdot (1 - FDR_{*,b}) + (2 - S) \cdot (FDR_{*,b})\right]}{\left[S \cdot (1 - FDR_{*,b}) + (2 - S) \cdot (FDR_{*,b})\right] + \left[S \cdot (FDR_{b,w}) + (2 - S) \cdot (1 - FDR_{b,w})\right]} \right) - \frac{S}{2} > 0
$$

For brevity, we define the following symbols: $p = FDR_{*,b}$ and $q = FDR_{b,w}$. After rearranging the terms, the inequality is then given by:

$$
\frac{(S-1) \cdot ((p \cdot (S-2)) - q \cdot S)}{(p \cdot (S-1)) + (q \cdot (-S)) + (q-1)} < 0 \tag{10}
$$

To show the above inequality holds, we use the following:

$$
\begin{aligned}
&0 \leq S < 1 \text{ because } D_t > 0 \\
&0 < p \leq 1 \text{ by definition of } FDR_{*,b} \\
&0 < q \leq 1 \text{ by definition of } FDR_{b,w}
\end{aligned} \tag{11}
$$

We prove Equation 10, by show the numerator and denominator have opposite signs, because the numerator is positive and the denominator is negative for all possible values of S, p and q.

Case 1a: We show $(S-1) \cdot ((p \cdot (S-2)) - q \cdot S)$ is positive because both terms $(S-1)$ and $((p \cdot (S-2)) - q \cdot S$ are negative. For the first term, $S - 1 < 0$ because, by Equation 11, we know $0 \leq S < 1$. For the second term, $p \cdot (S-2) < 0$ because $p > 0$ and $S - 2 < 0$. Finally, $q \cdot S \geq 0$ by Equation 11. Since we subtract a non-negative term from a negative term, the result is always negative.

Case 1b: we show the denominator $(p \cdot (S-1)) + (q \cdot (-S)) + (q-1)$ is negative. We can rearrange the expression and show $(p-q)(S-1) < 1$. From Equation 11, we know, for the first term, $-1 < p - q < 1$, and for the second term, $-1 \leq S - 1 < 0$. Therefore, the product of the two terms $(p-q)(S-1) < 1$ holds.

Therefore, we have shown Equation 10 holds because both the numerator and denominator have opposite signs.

Case 2 ($D_t < 0$): we would like to show $D_i > D_t$. Following the same steps we took for Case 1, we can derive the following inequality where the only difference from Equation 10 is the direction of the inequality:

$$
\frac{(S-1) \cdot ((p \cdot (S-2)) - q \cdot S)}{(p \cdot (S-1)) + (q \cdot (-S)) + (q-1)} > 0 \tag{12}
$$

For this case, we know the following:

$$
\begin{aligned}
&1 < S \leq 2 \text{ because } D_t < 0 \\
&0 < p \leq 1 \text{ by definition of } FDR_{*,b} \\
&0 < q \leq 1 \text{ by definition of } FDR_{b,w}
\end{aligned} \tag{13}
$$

To prove Equation 12, it suffices to show both the denominator and numerator are negative for all possible values of S, p and q. From Case 1, we already know the denominator is negative, so we just show the numerator is negative.

To show the numerator $(S-1) \cdot ((p \cdot (S-2)) - q \cdot S)$ is negative, we need to shown the terms $(S-1)$ and $((p \cdot (S-2)) - q \cdot S)$ have opposite signs. By Equation 13, we know the first term $S - 1 > 0$, so we need to show the other term is negative. For the other term, we know $(p \cdot (S-2)) \leq 0$ because $p > 0$ and $S - 2 \leq 0$. We also know $q \cdot S > 0$ by Equation 13. Therefore, we are subtracting a positive number $(q \cdot S)$ from a number that is either negative or 0 $(p \cdot (S-2))$, resulting a negative term.

Therefore, $|D_i| < |D_t|$ holds for both cases. □

6 INFERENCE-AWARE AUDITING FOR SKEW

Having shown that inference error can hide skew during auditing (§5), we next suggest how to account for such error. The challenge is that it is difficult to track how error propagates from the targeted audience to the delivery audience because the fairness evaluation is decoupled from the target audience (Figure 1). Detecting such propagation is hard because platforms do not provide demographics of specific ad recipients, only aggregate statistics. A second challenge with modeling how inference error propagates to the delivery audience is that the parameters we use to model algorithmic skew (S) and the delivery rate (R) are not known in practice.

Our insight for inference-aware skew evaluation, even with limited ad delivery statistics, is that we can solve for R and S and model how inference error propagates based on the aggregate data that we get from the platform. We can then adjust our detection sensitivity accordingly.

6.1 Modeling Propagation of Inference Error

In order to model how inference error propagates to ad delivery, we first solve for R and S. The following theorem gives a closed-form solution for both parameters (we prove the theorem in Appendix B).

Theorem 6.1. *Assuming we can estimate FDRs of the race-inference method based on a dataset with ground truth, the targeted audience A is constructed so that it contains an equal number of inferred White and inferred Black users, and assuming the specific behavior of skew (described in §4.3), we can solve for the delivery rate (R) and the skew parameter (S) as follows:* $R = \frac{XP-MY}{NP-MQ}$ *and* $S = \frac{XQ-NY}{MY-XP}$, *where* $M = \frac{|A|}{2} - (|A| \cdot FDR_{*,b})$, $N = |A| \cdot FDR_{*,b}$, $X = n_{1,b,i}$, $P = A \cdot FDR_{b,w} - \frac{|A|}{2}$, $Q = |A| - |A| \cdot FDR_{b,w}$, *and* $Y = n_{1,w,i}$.

Using R and S, we can model how inference error propagates from the targeted audience to the delivery audience. As an example, we describe below how the error rate propagates to the delivery audience of the first ad.

Among those inferred as Black in the targeted audience ($a_{b,i}$), we expect $a_{b,i} \cdot FDR_{w,b}$ people to actually be White. To know how many of those White individuals see the first ad, we multiply their expected number ($a_{b,i} \cdot FDR_{w,b}$) by the delivery rate (R) and the skew applicable for White individuals ($2 - S$). We then divide the resulting number by the total number of inferred Black individuals that saw ad 1 ($n_{1,b,i}$) to derive the ratio of individuals that are White, which we denote by $fdr_{w,b,1}$. Compared to the notation for targeted audience, we use lower case "fdr" to represent error in the delivery audience and an additional subscript (1 or 2) to indicate which ad:

$$fdr_{w,b,1} = \frac{a_{b,i} \cdot FDR_{w,b} \cdot R \cdot (2 - S)}{n_{1,b,i}}, \tag{14}$$

We can apply a similar procedure to derive the other error rates $fdr_{o,b,1}$, $fdr_{b,w,1}$, and $fdr_{o,w,1}$. Similar to the error in the targeted audience (Equation 3), we define the following notations that represent the total ratio of ad recipients wrongly labeled as Black ($fdr_{*,b,1}$) or White ($fdr_{*,w,1}$): $fdr_{*,b,1} = fdr_{w,b,1} + fdr_{o,b,1}$ and $fdr_{*,w,1} = fdr_{b,w,1} + fdr_{o,w,1}$.

6.2 Correction Based on Expected Error

We next adjust ad delivery statistics using our model of how error propagates. Our goal is to derive an estimate of the number of true Black ($n_{1,b,f}$) and White ($n_{1,w,f}$) individuals that saw an ad based on the number of inferred Black ($n_{1,b,i}$) and White ($n_{1,w,i}$) individuals that saw the ad.

As summarized in Table 1, we use "f" to denote the corrected statistics we compute based on the expected inference error. Using our model of how error propagates to ad delivery audience (§6.1), we calculate the corrected ad delivery statistics as follows:

$$\begin{aligned} n_{1,b,f} &= n_{1,b,i} \cdot (1 - fdr_{*,b,1}) + n_{1,w,i} \cdot fdr_{b,w,1} \\ n_{1,w,f} &= n_{1,b,i} \cdot fdr_{w,b,1} + n_{1,w,i} \cdot (1 - fdr_{*,w,1}) \\ n_{2,b,f} &= n_{2,b,i} \cdot (1 - fdr_{*,b,2}) + n_{2,w,i} \cdot fdr_{b,w,2} \\ n_{2,w,f} &= n_{2,b,i} \cdot fdr_{w,b,2} + n_{2,w,i} \cdot (1 - fdr_{*,w,2}) \end{aligned} \tag{15}$$

We then apply a hypothesis test for significance of skew in ad delivery using our corrected delivery statistics. We plug these values to Equation 2, to calculate the test statistic for racial skew that accounts for inference error: $Z_f = ZTEST(n_{1,b,f}, n_{1,w,f}, n_{2,b,f}, n_{2,w,f})$.

7 VALIDATION OF PROPOSED CORRECTION

Finally, we validate our proposed method for inference-aware skew evaluation. We simulate various levels of skew in an ad delivery algorithm and compare the outcome of evaluation with and without correcting for error. We find that when the skew in the ad delivery algorithm and the sample size available for auditing are both small, inference error hides skew from the auditor as statistically insignificant. In contrast, our inference-aware skew evaluation corrects the expected size of each group in the delivery audience we obtain, which reflects on the statistical tests on the delivery audience, making detection possible even if skew is small.

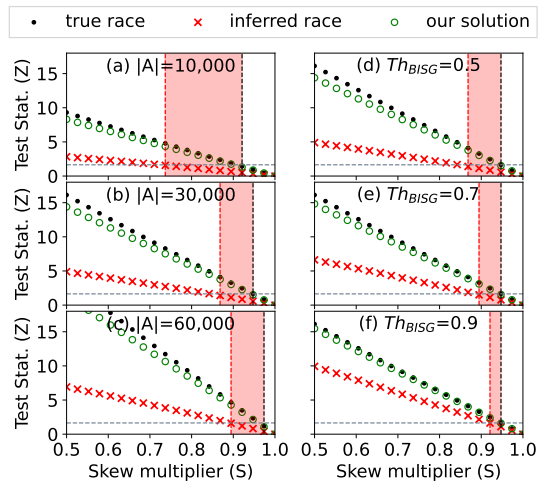

Figure 3: Left column shows the effect of sample size on our inference-aware skew evaluation. Parameters: $R = 0.065$, $Th_{BISG} = 0.5$, $FDR_{w,b} = 0.4727$, $FDR_{o,b} = 0.030$ $FDR_{b,w} = 0.144$, $FDR_{o,w} = 0.032$. **The right column shows the effect of BISG inference error rates on our inference-aware evaluation. Parameters:** $R = 0.065$, $|A| = 30,000$. **In both columns, as sample size and BISG threshold increases (inference error decreases), the red shaded region where inference error leads to hiding skew that exists gets reduced.**

We estimate inference error rates on a real-world population and use simulated ads to sweep the parameter space and consider how our proposed correction affects the evaluation of skew. We use simulations for two reasons. First, in simulations we know ground truth and so we can make strong statements on how inference error affects outcomes, while ground truth is unknown or difficult to obtain in real-world experiments. Second, simulation allows us to sweep the parameters space to understand how sensitive our results are to many possible conditions. Such wide exploration would be expensive with paid, real-world advertisements, as shown in prior work [4, 28].

7.1 Validation Methodology

Our validation methodology uses simulations where we sweep the amount of skew (S) through a wide range of possible values, then consider how detectable the skew is through three different statistics. The first statistic represents skew measured by targeting with true race (Equation 1), and serves as ground truth for presence of skew in the platform's ad delivery algorithm. The other two

statistics are measured by building the target audience with inferred race (Equation 4) and after adjusting for inference error (§6.2).

We instantiate the inference error rates defined in §4.2 by applying BISG to real-world voter datasets that contain name and location. We use BISG because it is the a state-of-the-art method for inferring race [21], but one can apply our approach for other inference methods for which these error rates can be estimated.

For BISG, we assign a race when the inference probability exceeds a threshold. We denote this threshold by Th_{BISG}. Another common approach is to directly use the raw probabilities [16, 20], but we use thresholding because we must construct audiences that match specific racial demographics. In addition, since the platform only provides *aggregate results* regarding to whom an ad was shown, we cannot propagate the raw probabilities through to our evaluation of potential skew.

The rate of inference error depends not only on the BISG method but also on the audience it is measured on. It is important to measure the error rate with respect to the same audience that will be used in a real-world experiment because that is the error relevant for the experiment. Here we measure the inference error using the North Carolina dataset, which has previously been used to study gender bias in the delivery of job ads [28]. However, researchers using BISG or other algorithms should re-evaluate error for the algorithm and location they study.

From the North Carolina voter dataset we take a sample of 100,000 individuals and apply BISG. We then calculate the inference error rates over the sample population. For real-world experiments, in general, these values will not be known, since any specific sample will vary randomly. However, this simplified model can help demonstrate propagation of error. Here we consider only expected error; we leave exploring variance of inference error as future work.

7.2 Varying Audience Size

We first evaluate how the sample size available for auditing affects whether inference error leads to hiding skew that exists. For this simulation, we vary the size of the targeted audience used for auditing ($|A|$) and compare the outcome of skew evaluation with and without correcting for inference error. We fix the level of inference error to $Th_{BISG} = 0.5$ and $R = 0.065$. We fix the BISG threshold to 0.5 to be consistent with VRS's implementation of BISG [2]. $R = 0.065$ also gives us the number of impressions per ad that is roughly consistent with real-world delivery rates from prior work [28]. For example, using the definitions in §4.3, at $R = 0.065$, an audience of size of $10,000$ and $30,000$ will result in approximately 650 and $2,000$ impressions, respectively.

From the left column of Figure 3, we find ignoring inference error leads to missing skew when the targeted audience is small. In each subfigure, the horizontal dotted line represents the threshold for statistical significance. The red shaded region is the range of S where we detect skew when targeting with true race (black dots are above the line) but we fail to detect the skew when targeting with inferred race but ignore inference error (red cross marks below the line). If the skew we measure using our inference-aware method (green circles) is above the horizontal line in the shaded region, it indicates we successfully detect a skew that we would miss if we do not correct for inference error.

As shown in the red-shaded region in Figure 3(a), when $|A| = 10,000$, ignoring inference error hides skew (red cross-marks below the horizontal line) when S is in approximately in the range $[0.74, 0.92]$. In the same range, we see *our solution correctly detects skew* (green circles above the horizontal line). The width of the range decreases as we increase the audience size to $|A| = 30,000$ and $|A| = 60,000$, as shown in Figure 3(b) and Figure 3(c), respectively. In Appendix D, we report the interval and width for larger audience sizes for which we see a similar trend.

Therefore, *using a larger audience can reduce error and increase confidence in skew detection.* However, one must consider the size of the skew before reaching conclusions about harm. In addition, increasing the audience size can be costly in practical scenarios where access to data is limited, demonstrating our error correction is a valuable tool.

7.3 Varying Level of Inference Error

We next evaluate how different levels of inference error rates lead to missing skew that exists and show how our proposed correction successfully detects the skew. We vary inference error by setting the probability threshold we use for BISG (Th_{BISG}), and compare the outcome of skew evaluation with and without correcting for inference error. We fix $|A| = 30,000$ and $R = 0.065$.

We vary inference error by setting Th_{BISG} to 0.5, 0.7, and 0.9. We start at 0.5 because it is the threshold used by Meta's VRS [2], and evaluate how skew detection improves as we increase the threshold. Each part of the figure uses a specific BISG threshold. We fix the targeted audience size to $A = 30,000$ and $R = 0.065$. As the threshold increases, the corresponding error rates either decrease or stay the same. For example, $FDR_{w,b}$ decreases from 0.47 to 0.38 when the threshold changes from 0.5 to 0.7, respectively.

We find inference error is more likely to hide skew that exits when we use a lower threshold (inference error is higher), as shown in the right column of Figure 3. As shown in Figure 3(d), the width of the shaded region where we miss skew is the largest when $Th_{BISG} = 0.5$. Figure 3(e) and Figure 3(f) show that the width decreases as we increase the threshold to 0.7 and 0.9. In the shaded regions, we see our inference-aware evaluation (green circles) are above the horizontal line, showing *we successfully detect skew.*

Our result suggests we should also *use a higher inference threshold when possible.* A higher threshold will increases confidence in the results, but it does so by excluding individuals with names that are not strongly correlated with race, so it also increases costs in audience construction. Therefore, we must ensure the delivery audience is large enough for statistical analysis after excluding individuals that receive a low score.

8 CONCLUSION

We have shown the importance of considering error in inferred demographics during black-box audits of ad delivery algorithms for bias. Our proposal applies attribute inference to the unique setting of the paired-ads method that remains a key black-box auditing tool for keeping platforms accountable. This application differs from prior studies that consider inference error when training classifiers. Our analysis relies on only aggregate statistics, making it applicable to black-box evaluation of ad delivery bias. This approach differs from previous work that required individual-level data and,

therefore, was not applicable to black-box evaluation. By showing how to *account* for inference error, we expand the auditing toolkit, allowing evaluation of bias in ad delivery algorithms for domains where demographic attributes are inaccessible. Our approach can be extended to audit disparities across protected attributes beyond race, such as gender or age, for which the inference methods can be developed and error rates can be estimated using datasets with ground-truth demographics.

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ETHICS

Our analysis is ethically sound because it provides a better understanding of how to use inferred demographic attributes for auditing ad delivery algorithms for bias, with consideration of inference error and without creating new privacy risks to individuals. Overall, or work has a positive outcome by improving our understanding of how to audit social media algorithms, and important part of today's Internet. It poses minimal risks for several reasons:

Our work poses no new privacy risks to individuals because our input data is currently publicly available in existing voter datasets. Additionally, our approach does not involve collecting individual-level identifiers as platforms report only aggregate information about ad recipients. In cases where the GDPR applies, inferred demographic attributes may be considered personal data for which consent is required [11]. We do not solicit informed consent because we have no means to directly interact with the individuals in our data.

The methodology we adopt from prior work (using paired ads [3, 28, 29]) poses minimal cost on individuals. The ad budget is small ($50 per ad campaign) and has minimal influence on the overall on-line ad market or on the full mix of ads any individual sees. In addition, we consider ads that link to real-world economic opportunities; which are of potential benefit to the recipients.

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A THOUGHT EXPERIMENTS ON THE EFFECTS OF INFERRED ATTRIBUTES

In §5, we gave theoretical results that show the effect of attribute estimation on auditing ad delivery. In this section, we explore thought experiments that provide concrete examples of how inference error affects the conclusions of an audit.

In our first thought-experiment, there is no algorithmic skew (Theorem 5.1). We use this case to explore perspectives on what is true, what can be observed, and where they differ, to show how inference can potentially affect the conclusion. In this baseline example, we find race inference error does not affect our evaluation of skew because there is no skew in the ad delivery algorithm.

In our second thought-experiment we add known algorithmic skew (Theorem 5.2). We show we can detect this skew with statistical rigor given construct with true race. We then show that when we infer race, inference error can hide the skew. We lose significance because, although we intended for audiences with the same

Parameters for this example	|A|=30,000, R=0.065, S=1 Inference error rates: $FDR_{b,w}$=0.14, $FDR_{o,w}$=0.03, $FDR_{w,b}$=0.47, $FDR_{o,b}$=0.03		
Targeted using	True race	Inferred race	Inferred race (omniscient correction)
Targeted audience	A=30,000 [100%] $a_{b,t}$=15,000 [50%] $a_{w,t}$=15,000 [50%]	|A|=30,000 $a_{b,i}$=15,000 [100%] 7,466 B [49.8%] 7,090 W [47.3%] 444 O [3.0%] $a_{w,i}$=15,000 [100%] 2,156 B [14.4%] 12,369 W [82.5%] 476 O [3.2%]	29,080 (B+W) $a_{b,c}$ =7,466+2,156 =9,621 B [33.1%] $a_{w,c}$ =7,090+12,369 =19,460 W [66.9%]
Delivery audience for ad 1: rate of $R \cdot S$ for true Blacks; $R \cdot (2-S)$ for non-Blacks	$n_{1,t}$=1,950 [100%] $n_{1,b,t}$=975 [50%] $n_{1,w,t}$=975 [50%]	$n_{1,i}$=1,950 $n_{1,b,i}$=975 [100%] 485 B [49.8%] 461 W [47.3%] 29 O [3.0%] $n_{1,w,i}$=975 [100%] 140 B [14.4%] 804 W [82.5%] 31 O [3.2%]	$n_{1,c}$=1,890 (B+W) $n_{1,b,c}$ =485+140 =625 B [33.1%] $n_{1,w,c}$ =461+804 =1,265 W [66.9%]
Delivery audience for ad 2: rate of R for all	$n_{2,t}$=1,950 [100%] $n_{2,b,t}$=975 [50%] $n_{2,w,t}$=975 [50%]	$n_{2,i}$=1,950 $n_{2,b,i}$=975 [100%] 485 B [49.8%] 461 W [47.3%] 29 O [3.0%] $n_{2,w,i}$=975 [100%] 140 B [14.4%] 804 W [82.5%] 31 O [3.2%]	$n_{2,c}$=1,890 (B+W) $n_{2,b,c}$ =485+140 =625 B [33.1%] $n_{2,w,c}$ =461+804 =1,265 W [66.9%]
Skew evaluation	$s_{1,b,t} = 0.50$ $s_{2,b,t} = 0.50$ $D_t = 0.00$ $Z_t = 0.00$ (≤ 1.64) (Not signif.)	$s_{1,b,i} = 0.50$ $s_{2,b,i} = 0.50$ $D_i = 0.00$ $Z_i = 0.00$ (≤ 1.64) (Not signif.)	$s_{1,b,c} = 0.33$ $s_{2,b,c} = 0.33$ $D_c = 0.00$ $Z_{i,c} = 0.00$ (≤ 1.64) (Not signif.)

Table 2: A baseline example where race inference error does not affect evaluation of skew in ad delivery because there is no skew in the platform's ad delivery algorithm ($S = 1$).

ratio of races ($a_{b,i} : a_{w,i}$ is the same as $a_{b,t} : a_{w,t}$), inference error means the *actual* audience is different than expected. We find this difference occurs when the inference method performs more poorly for Black individuals than White individuals ($FDR_{*,b} > FDR_{*,w}$), resulting in underrepresentation of Black individuals.

A.1 Setup and Assumptions

For our thought experiments, we assume we have omniscient knowledge both the true and inferred race of ad recipients; a luxury we lack in real applications. We use omniscient information to compute a *corrected* version of the outcome using an inferred population. This corrected version lets us separate inference error from potential platform-induced skew. Because the skew in the ad delivery algorithm is fixed in each thought experiment, we expect the skew we measure when targeting with true race to be roughly the same as the skew we measure when targeting with inferred race but compute skew with our omniscient knowledge of true race. We use different notation to distinguish when the attribute is known, inferred or an omniscient as we show in Table 1.

We introduce notation for the corrected statistics we compute using our omniscient knowledge of true race when targeting with inferred race. Let $n_{1,b,c}$ and $n_{1,w,c}$ represent the number of true Blacks and true Whites that saw the first ad. Let $n_{1,c} = n_{1,b,c} + n_{1,w,c}$. We define $n_{2,c}$, $n_{2,b,c}$ and $n_{2,w,c}$ similarly for the second ad. We do not include in $n_{1,c}$ and $n_{2,c}$ people of "Other" race that may have seen an ad because our goal is to compute an estimate of the true statistics we would have computed if we targeted with true race. By applying Equation 2, the test statistic is given by:

$$Z_c = ZTEST(n_{1,b,c}, n_{1,w,c}, n_{2,b,c}, n_{2,w,c}) \tag{16}$$

For both thought experiments, we use the inference error values we observe by applying BISG to North Carolina voter data using $Th_{BISG} = 0.5$: $FDR_{b,w} = 0.14$, $FDR_{o,w} = 0.03$, $FDR_{w,b} = 0.47$, $FDR_{o,b} = 0.03$ (see §7.1 for details).

When operating with true race, we calculate the test statistic for statistical significance using Z_t. When operating with inferred race we calculate the test statistic for statistical significance using Z_i. All statistical tests are conducted at a significance level of $\alpha = 0.05$. We conclude statistical significance when a statistic is above the critical value $Z_\alpha = 1.64$.

A.2 Example Without Algorithmic Skew

We first consider the case with no skew for either ad ($S = 1$). Here we evaluate how inference error changes the target audience, slightly distorting the results, although not the conclusion.

We work through the example in Table 2. The left column shows a case where we construct our target audience using true race. We begin with an audience of 30,000 people (top row, $a_{b,t} = a_{w,t} = 15,000$). Each ad is delivered to $R = 0.065$ of them ($n_{1,b,t} = n_{1,w,t} = n_{2,b,t} = n_{2,w,t} = 975$). Since there is no skew in the ad delivery algorithm, both ads are delivered to the same fraction of true Blacks ($s_{1,b,t} = s_{2,b,t} = 0.5$), the test statistics are zero ($D_t = 0$; $Z_t = 0$), and we conclude there is no statistically significant skew. Using the method established in §4.1, and without inference, we correctly confirm there is no skew.

Now we analyze what delivery statistics we observe when we target using *inferred* race, in the middle column. Again, we choose 30,000 targets, and we *think* they are 15,000/15,000 Black/White from inference. However, this our equal mix is not realized—because of inference error, more than half of our Black targets (50.3%= 47.3%+3.0%) are not actually Black, while only 17.6% of our White targets are mis-identified. In this secnario with no skew, delivery results for both ads are identical to the mix of the target audience (both audiences are multiplied by delivery rate R, and $S = 1$).

We evaluate the results when the audiences are targeted using inferred race in two ways: in the middle column, we consider what we can tell based on inferred race only. In the third column, we examine who *really* saw the ad, computing statistics with our omniscient knowledge of true race. To compute the third column, we take the audience we use, which we believe is an equal 50/50% split by race. We compute how much of this inference was incorrect, to find the actual audience we selected. We see it has only 9,621 Blacks (33%) and 19,460 Whites (67%). We conclude that, *while we thought we had a 50/50% audience, we actually have a 33%/67% audience, where Blacks are represented much less than we expect.* With omniscient true race, the fraction of Blacks that see the first ad is

Parameters for this example	|A|=30,000, R=0.065, S=0.87 Inference error rates: $FDR_{b,w}$=0.14, $FDR_{o,w}$=0.03, $FDR_{w,b}$=0.47, $FDR_{o,b}$=0.03		
Targeted using	True race	Inferred race	Inferred race (omniscient correction)
Targeted audience: same as the top row of Table 2			
Delivery audience for ad 1: rate of $R \cdot S$ for true Blacks; $R \cdot (2-S)$ for non-Blacks	$n_{1,t}$=1,950 [100%] $n_{1,b,t}$=848 [44%] $n_{1,w,t}$=1,102 [56%]	$n_{1,i}$=2,041 $n_{1,b,i}$=976 [100%] 422 B [43.3%] 521 W [53.4%] 33 O [3.3%] $n_{1,w,i}$=1,065 [100%] 122 B [11.4%] 909 W [85.3%] 35 O [3.3%]	$n_{1,c}$=1,973 (B+W) $n_{1,b,c}$ =422+122 =544 B [27.6%] $n_{1,w,c}$ =521+909 =1,429 W [72.4%]
Delivery audience for ad 2: same as the penultimate row of Table 2			
Skew evaluation	$s_{1,b,t}$ = 0.43 $s_{2,b,t}$ = 0.50 D_t = 0.07 Z_t = 4.07 (> 1.64) (Stat. sign.)	$s_{1,b,i}$ = 0.48 $s_{2,b,i}$ = 0.50 D_i = 0.02 Z_i = 1.39 (<= 1.64) (Not signif.)	$s_{1,b,c}$ = 0.28 $s_{2,b,c}$ = 0.33 D_c = 0.06 $Z_{i,c}$ = 3.73 (> 1.64) (Stat. sign.)

Table 3: An example with known inference error demonstrating that inference of the target audience can result in missing detection of actual skew. Compared to the baseline example (Table 2), the only change is to inject known skew ($S = 1.13$), which affects the delivery of ad 1.

$s_{1,b,c}$=0.33, showing the under-presentation of Blacks in the 33/67% audience propagates to ad delivery. However, using only inferred information (middle column) hides this fact: $s_{1,b,i} = 0.5$. Fortunately, the same case is true for both ads, as we assume that there is no skew, $S = 1$, resulting in no net effect that alters our conclusion, so our evaluation of skew is correct regardless of inference error.

A.3 Example Where Algorithmic Skew is Hidden

We now inject a known amount of skew (S) into ad delivery for our second example in Table 3. We use a specific value of $S = 0.87$ to provide a concrete example; we study a range of values in §7. In this scenario, we will show inference error during target audience creation hides algorithm skew. It gives us an incorrect conclusion, and a different outcome than had we tested with correct information about race.

Left column labelled "true race" in Table 3 shows auditing using perfect information about race. We again target an audience of 30,000 (omitted in Table 3, but the same as the top row of Table 2). While ad 2 is delivered equally by race (975 each for Blacks and Whites, the same as the third row of Table 2), delivery of ad 1 is skewed by the platform ($S = 0.87$), going to more Whites than Blacks (1,102 vs. 848, as shown in Table 3). This difference appears in the fraction of impressions of the first and second ad seen by Blacks, with the delivery audience of the first ad ($s_{1,b,t} = 0.43$) having a larger fraction of Blacks than the delivery audience of the second ad ($s_{2,b,t} = 0.5$). The relative difference in delivery for the two ads for Blacks ($D_t = 0.07$) and the test statistic of $Z_t = 4.07$ show a statistically significant skew in the ad delivery algorithm. This thought experiment with known race data correctly demonstrates one can prove skew exists, as we expect from §4.1.

In the middle column, we analyze delivery statistics observed when targeting using *inferred* race. We know algorithmic skew exists, so we examine how inference changes our evaluation, because the impressions ad 1 receives are influenced by two factors: algorithmic skew *and* the unexpected racial mix in the audience. Recall that the platform's algorithms propagate bias according to true race, since the platform's algorithms use rich data and it does not use our inferred race, thus a different audience mix could confuse our evaluation for algorithm skew. These factors have several results on our analysis: First, the skew we measure using inferred race ($D_i = 0.02$) *underestimates* the true skew we measured when targeting using true race ($D_t = 0.07$). This underestimation prevents statistically significant detection of skew according to inferred race ($Z_i = 1.39$). In this case, *inference error in audience construction results in being unable to prove skew exists (with statistical significance), even though we know it exists.*

To explore *why* known skew is not detectable in this case, we examine how three factors interact: inference error, affecting the target audience, and thereby indirectly affecting the delivery audience; algorithmic skew, affecting the delivery audience from the true target audience; and our requirement for statistically strong evidence. Inference error causes a large difference between our expected target audience and the true target audience. Those audiences are shown in the top row of Table 2, with the same audiences used in Table 3. Although we expect an audience that is 15,000:15,000 Black:White (50/50%) (the middle column, inferred race), we get an audience that is 9,621:19,460 Black:White (33/67%), a very different ratio.

Second, we see that algorithmic skew alters this ratio for delivery audience of ad 1 in Table 3. The true outcome is 544:1,429 Black:White (Table 3, rightmost cell), but we *think* it is 976:1,065 Black:White (the middle cell). These ratios are *very* different, with inferred race telling us about an even split, while the truth is visibly uneven. However, the ratio of Black:White in one ad is not evidence of skew, instead we need to look at the relative difference of the ratios between the pair of ads.

Finally, we look at that statistical comparison. With inferred race, that comparison is not statistically different (the bottom center cell of Table 3). If we knew the truth, we *would* see a statistically significant difference when we compare delivery of ads 1 and 2, as shown in bottom right cell of Table 3. Exactly how these three factors interact is a function of the particular parameters we chose (in §7 we explore many parameters to show which yield different outcomes). Our point is that *inference error can be an important factor* in auditing algorithms for delivery skew when true demographics are not known.

This second example again shows that *inference of the target audience propagates to change ad impressions and can skew statistics about presence of skew.* In this example, *inference of attributes in* ***does change*** *our conclusion.*

These examples are thought experiments done with a simplified model of error and algorithmic skew, but they support our claim: *inference error needs to be considered if one is to make statistically strong statements about presence or absence of algorithmic bias.*

$\|A\|$	$Th_{BISG} = 0.5$	$Th_{BISG} = 0.7$	$Th_{BISG} = 0.9$
10,000	0.18; [0.73, 0.91]	0.10; [0.81, 0.91]	0.04; [0.87, 0.91]
30,000	0.10; [0.85, 0.95]	0.05; [0.90, 0.95]	0.03; [0.92, 0.95]
60,000	0.08; [0.90, 0.97]	0.05; [0.92, 0.97]	0.03; [0.95, 0.97]
90,000	0.05; [0.92, 0.97]	0.04; [0.94, 0.97]	0.01; [0.96, 0.97]
120,000	0.04; [0.94, 0.97]	0.03; [0.95, 0.97]	0.01; [0.96, 0.97]
150,000	0.05; [0.94, 0.99]	0.03; [0.96, 0.99]	0.01; [0.97, 0.99]

Table 4: Ranges of values of S for which ignoring inference error leads to hiding skew that exists. For each cell, the first number indicates the width of the red shaded regions (shown in Figure 3), and the interval indicates the start and end values of S for each region. The width of the region generally decreases as the audience size and BISG threshold increase.

The practical correction we propose in §6 matches the omniscient correction we derived using omniscient knowledge of true race (right-most column). In other words, our solution's estimate of the number of true Black and White individuals that saw the first ad ($n_{1,b,f}$ and $n_{1,w,f}$) matches the number we would calculate using omniscient knowledge of both the true and inferred race ($n_{1,b,c}$ and $n_{1,w,c}$). We prove this claim in Appendix C.

B SOLVING FOR R AND S

In this section, we prove Theorem 6.1. The proof shows we can solve for the parameters we use to model skew in the algorithm (S) and delivery rate (R based on the data we get from the platform.

Proof. We know from the platform's report the number of inferred Black ($n_{1,b,i}$) and White ($n_{1,w,i}$) individuals that saw the ad. We can write these quantities use the true racial composition of the targeted audience, the delivery rate (R) and the skew in the ad delivery algorithm S:

$$\begin{aligned} n_{1,b,i} &= a_{b,i}(1 - FDR_{*,b}) \cdot R \cdot S + a_{b,i} \cdot FDR_{w,b} \cdot R \cdot (2 - S) \\ &\quad + a_{b,i} \cdot FDR_{o,b} \cdot R \cdot (2 - S) \\ n_{1,w,i} &= a_{w,i} \cdot FDR_{b,w} \cdot R \cdot S + a_{w,i} \cdot (1 - FDR_{*,w}) \cdot R \cdot (2 - S) \\ &\quad + a_{w,i} \cdot FDR_{o,w} \cdot R \cdot (2 - S) \end{aligned} \tag{17}$$

We now have the above two equations with two unknowns (R and S). We rewrite the equations as: $M \cdot R \cdot S + N \cdot R - X = 0$ and $P \cdot R \cdot S + Q \cdot R - Y = 0$, where $|A|$ is the size of the targeted audience and we define: $M = \frac{|A|}{2} - (|A| \cdot FDR_{*,b})$, $N = |A| \cdot FDR_{*,b}$, $X = n_{1,b,i}$, $P = |A| \cdot FDR_{b,w} - \frac{|A|}{2}$, $Q = |A| - |A| \cdot FDR_{b,w}$, and $Y = n_{1,w,i}$. We can then a closed-form solution for R and S by simply plugging in one of the equations into the other:

$$R = \frac{XP - MY}{NP - MQ} \qquad S = \frac{XQ - NY}{MY - XP}$$

□

Once we solve for R and S using this closed-form solution, we can estimate the expected inference error for the delivery audience of an ad. Equation 14 showed one example but we define all error rates below:

$$\begin{aligned} fdr_{w,b,1} &= \frac{a_{b,i} \cdot FDR_{w,b} \cdot R \cdot (2 - S)}{n_{1,b,i}} \\ fdr_{o,b,1} &= \frac{a_{b,i} \cdot FDR_{o,b} \cdot R \cdot (2 - S)}{n_{1,b,i}} \\ fdr_{b,w,1} &= \frac{a_{w,i} \cdot FDR_{b,w} \cdot R \cdot (S)}{n_{1,w,i}} \\ fdr_{o,w,1} &= \frac{a_{w,i} \cdot FDR_{o,w} \cdot R \cdot (2 - S)}{n_{1,w,i}}, \end{aligned} \tag{18}$$

C COMPARISON OF PRACTICAL AND OMNISCIENT CORRECTION

In §6.2, we claimed that our proposed solution for correcting for expected inference error matches the correction we would apply if we had omniscient knowledge of both true and inferred race. Mathematically, our claim is the following four equalities hold: $n_{1,b,f} = n_{1,b,c}$, $n_{1,w,f} = n_{1,w,c}$, $n_{2,b,f} = n_{2,b,c}$, and $n_{2,b,f} = n_{2,b,c}$.

Proof. We prove $n_{1,b,f} = n_{1,b,c}$. The other three equation can be proved similarly.

We start with the expression for $n_{1,b,f}$ we derived in Equation 15 and plug in the expressions from Equation 14 for the expected inference error in the delivery audience.

$$\begin{aligned} n_{1,b,f} &= n_{1,b,i} * (1 - fdr_{*,b,1}) + n_{1,w,i} \cdot fdr_{b,w,1} \\ &= n_{1,b,i} \cdot \left(1 - \left(\frac{a_{b,i} \cdot R \cdot (2 - S) \cdot FDR_{*,b}}{n_{1,b,i}}\right)\right) \\ &\quad + n_{1,w,i} \cdot \left(\frac{a_{w,i} \cdot FDR_{b,w} \cdot R \cdot S}{n_{1,w,i}}\right) \\ &= \left(n_{1,b,i} - a_{b,i} \cdot R \cdot (2 - S) \cdot FDR_{*,b}\right) \\ &\quad + \left(a_{w,i} \cdot FDR_{b,w} \cdot R \cdot S\right) \end{aligned} \tag{19}$$

By rearranging the expression for $n_{1,b,i}$ from Equation 6, and using our knowledge that $FDR_{*,b} = FDR_{w,b} + FDR_{o,b}$, it follows that $\left(n_{1,b,i} - a_{b,i} \cdot R \cdot (2 - S) \cdot FDR_{*,b}\right) = a_{b,i} \cdot (1 - FDR_{*,b}) \cdot R \cdot S)$. By substituting this expression into the last step of Equation 19, we get:

$$\begin{aligned} n_{1,b,f} &= \left(n_{1,b,i} - a_{b,i} \cdot R \cdot (2 - S) \cdot FDR_{*,b}\right) \\ &\quad + \left(a_{w,i} \cdot FDR_{b,w} \cdot R \cdot S\right) \\ &= (a_{b,i} \cdot (1 - FDR_{*,b}) \cdot R \cdot S) + \left(a_{w,i} \cdot FDR_{b,w} \cdot R \cdot S\right) \\ &= n_{1,b,c} \end{aligned} \tag{20}$$

The last step follows because the number of inferred Blacks individuals that saw the ad and are truly Black is given by ($a_{b,i} \cdot (1 - FDR_{*,b}) \cdot R \cdot S$), and the number of inferred Whites individuals that saw the ad but are actually Black is given by ($a_{w,i} \cdot FDR_{b,w} \cdot R \cdot S$). Taken together, the sum of the two terms gives us the total number of truly Black individuals that saw the ad ($n_{1,b,c}$).

□

D VARYING BOTH INFERENCE THRESHOLD AND AUDIENCE SIZE

In Table 4, we provide additional simulation results where we vary both the audience size ($|A|$) and inference threshold (Th_{BISG}) and check the range of values of skew in the algorithm where ignoring inference error leads to missing skew that exists. Similar to the trend we observed in Table 4, the width of the region generally decreases as the audience size and BISG threshold increase.