



## Glossary: General Terms

**Acquisition:** When a user signs up, makes a purchase, or performs some other desired action in response to an ad. Also called a conversion or action. See also CPA.

**Ad Agency:** A company that provides services such as planning, creating, and buying, and tracking advertisements and ad campaigns on behalf of a client.

**Ad Call:** A user's browser asks an ad exchange or ad server to send an ad. The ad call includes information from browser cookies and ad tag information such as publisher ID, size, location, referring URL, etc.

**Ad Choices Icon:** "Ad choices" is part of the Digital Advertising Alliance's (DAA) Self-Regulatory Program for Online Behavioral Advertising. The clickable icon associated with this program (technically named the "Advertising Option Icon") can be placed overtop of creatives in order to give consumers a better understanding of and greater control over ads that are customized based on their online behavior.

**Ad Exchange:** An ecosystem through which advertisers, publishers, and networks meet and do business on a unified platform or system. An ad exchange allows advertisers and publishers to speak the same language in order to exchange data, set prices, and ultimately serve an ad.

**Ad Network:** A company that serves as a broker between a group of publishers and a group of advertisers. Networks traditionally aggregate publishers and advertisers and handle remnant inventory, but can have a wide variety of business models and clients.

**Ad Server:** The computer or group of computers responsible for the actual serving of creatives to websites, or for making decisions about what ads will serve. An ad server may also track clicks on ads and other data. Major publishers, networks and advertisers sometimes have their own ad servers.

**Ad Tag:** A piece of HTML on a webpage that will contact an ad server and ask for an ad.

**Ad Quality:** A term that refers to the settings that allow sellers to determine which creatives will be allowed to serve on their inventory.

**Advertiser:** An entity that shows its creatives on publisher web pages in order to enhance brand awareness, induce the user to make a purchase, etc.

**API:** Application Programming Interface. A way to interact with a piece of software.

**Atlas:** An ad management tool and ad server owned by Facebook as of February 2013 (previously owned & operated by Microsoft). See also DART.

**Attribution:** Attribution refers to how we determine which advertisement was responsible for triggering a conversion or acquisition. The most common attribution model is last view/last click.

**Backfill:** Inventory that is not pre-sold; i.e. remnant inventory. Can also refer to one ad network filling unsold inventory for another ad network.

**Banner Ad:** A basic image or flash display ad, rather than a rich media unit.

**Behavioral Data:** Information collected from a users' online actions, for example, things they've searched for in the past and types of website they frequent. Advertisers sometimes use this type of data in their campaigns to match relevant users with their offers.

**Best Bid:** The highest bid in an auction. Does not guarantee that an ad will be served; the bid must then be accepted within the seller client's ad server.

**Bidder:** A bidder is a piece of technology that uses proprietary code and algorithms to analyze bid requests and respond with bids and creatives in real-time auctions.

**Bidding Strategy:** A bidding strategy is the way you calculate a bid in an ad auction. It can mean bidding a flat CPM or bidding a variable price based on past click through or conversion rates.

**Blacklist:** A list of domains/apps that a buyer does not want to buy ad space on.

**Brand:** A company's product line and the image and reputation of that line.

**Campaign:** A campaign dictates a buying strategy for purchasing inventory. Most campaigns also include criteria such as a specific start and end date, daily or overall budgets, frequency restrictions, and targeting based on user or inventory data.

**CDN:** Content Delivery Network. A CDN delivers static content, such as creative image or flash files. Usually a CDN provider has servers across the globe configured to deliver content as quickly as possible, which is why it is typical for an ad server to use one.

**Click Log:** Server-side log of predefined information gathered when a user clicks on an ad that has passed through the Impression Bus. **Click-through Rate:** The number of clicks divided by total impressions served for a particular creative or campaign.

**Publisher Click Tracking:** If a publisher is being paid on a CPC basis and wants to track clicks, they can provide click-tracking URL where vendors can ping them on every click.

**Contextual Data:** Information on the contents of the webpage that the user is viewing upon ad call. Usually used for ad targeting; for example, if the user is viewing a newspaper article about travel, an airline may wish to display on that page. See also semantic targeting. This is distinct from user data.

**Conditional Rule:** A conditional rule is publisher-specific, has targeting and priorities.

**Conversion:** When a user signs up, makes a purchase, or performs some other desired action in response to an ad. Also called an acquisition or action, especially to distinguish it from clicks in an acronym (CPC vs. CPA).

**Conversion Funnel:** This describes the path a consumer takes from seeing an ad or otherwise hearing about a brand or concept (the broad end of the funnel) to possibly navigating an e-commerce web site and finally taking a desired action such as making a purchase (the narrow end of the funnel). In a simplistic example, many users see an ad, fewer click, fewer visit a site, fewer purchase. Various stages of the funnel may be used as a proxy for measuring the effectiveness of advertising, and funnel events do not need to be linear.

**Conversion Pixel:** A pixel that fires when a user converts, e.g. clicks on a ad, registers, makes a purchase, etc. Advertisers place conversion pixels on a landing page, registration page, checkout page, etc.

**Cookie:** A parcel of text sent by a server to the cookie file in a browser and then sent back unchanged by the client each time it accesses that server. HTTP cookies are used for authenticating, session tracking, and storing information about specific users, such as site preferences or buying habits. Advertisers often use cookies to track the number and frequency of advertisements that have been shown.

**Cost Plus:** A payment model in which advertisers agree to pay the cost of media plus an additional CPM or % profit margin on top.

**CPA:** Cost per action/acquisition. A payment model in which advertisers pay for every action, such as a sale or registration, completed as a result of a visitor clicking on their advertisement. Note that an "acquisition" is the same as a "conversion."

**CPC:** Cost per click. A payment model in which advertisers pay each time a user clicks on their advertisement.

**CPL:** Cost per lead. A payment model in which advertisers pay for every lead or customer inquiry that resulted from a visitor who clicked on their advertisement. Also known as cost per inquiry.

**CPM:** Cost per thousand ("mille"). A pricing model in which advertisers pay for every 1000 impressions of their advertisement served. This is the standard basic pricing model for online advertising. See also CPC and CPA.

**Creative:** The actual graphical advertisement itself. Common creative formats include GIF, JPEG, JavaScript, HTML, and Flash.

**Creative Tag:** Similar to an ad tag, this is a snippet of code that gives the location of the creative, which is usually a content delivery network (CDN) or an ad server.

**CSV:** Comma separated values. A data file used structured in a table form with fields separated by commas.

**CTR:** Click-through rate.

**DAA:** The Digital Advertising Alliance. An online advertising industry association made up of many other organizations and dedicated to self-regulation. Possibly best known for the Advertising Option Icon.

**Daisy Chain:** Daisy chaining is the linking of several ad tags, usually from different exchanges, ad servers, or ad networks. This creates a waterfall such that, if no creative can be found via the demand available to ad tag 1, the impression can be passed to a second ad tag to see if demand is available there, etc.

**Data Management Platform:** A DMP is a relatively new term and is not statically defined, but in general refers to a centralized system for gathering first-party data, integrating with third-party data, and applying this data to one's advertising strategy. A DMP may offer the following features: estimating the likely reach for a user segment, measuring the lift from using data, acting as a financial clearing house between data buyers and sellers, and assisting publishers in monetizing data on their users. DMPs most commonly work with User Data but may also work with Contextual Data, or other types of data.

**Data Providers:** Businesses that provide data about users so that advertisers can better target users.

**Decisioning:** The process by which an ad server, ad platform, or exchange chooses who to serve an ad to. This can be based on an auction, prioritizing certain advertisers based on relationships and prior agreements, or some other method.

**Deduplication:** "Deduping" means removing duplicate entries or events in a data set. Quality programmatic buying is dependent on getting accurate and useful data sets, and deduplication is often a step in that process. For example, if a user clicks twice on the same creative, you may dedupe your data set to remove those second clicks.

**Default Creative:** The default creative is passed into the Impression Bus at the time of an ad call as a "backup" in case any parameters, such as reserve price, are not met during the auction. The default creative can be a literal creative, say an in-house ad, OR it can be a redirect in the form of a third-party ad tag to a third-party adserver. Sometimes called "Reserve Creative."

**Default Tag:** If no impression can be found for an ad opportunity, a default tag may be served to pass the impression to another system to see if demand can be found there (this happens in the case of Daisy Chaining) or to simply pull a creative from another ad server. Sometimes called "Passback."

**Demand:** Advertising demand; entities that wish to buy ad space and display creatives.

**Demand Side Platform (DSP):** A company that allows advertising clients to buy digital media on several different selling systems or exchanges through one interface.

**Direct Response:** Term applied to marketing or advertising that is designed to solicit a direct response which is specific and quantifiable. In online display advertising, this can be clicking on an ad, making a purchase, signing up for a newsletter, etc.

**Display Advertising:** Online advertising is often divided into "display" and "search." Display ads are images and search is text based. Display ads, sometimes referred to as banners, come in standardized ad sizes, and can include text, logos, pictures, or more recently, rich media.

**Direct Media Buy:** Pre-brokered agreements between an advertiser and publisher to deliver a certain amount of specific inventory for a preset cost.

**DMA:** Designated Market Area. (Sometimes called demographic metropolitan area.) A geographic area originally defined as a group of counties that made up a cohesive television market. May also stand for the Direct Marketing Association; see DMA OBA Compliance.

**DMA OBA Compliance:** The Direct Marketing Association has been heavily involved in creating guidelines for online behavioral advertising, or advertising to people surfing the Internet based on their past browsing history. For more information, visit the DMA Website.

**Dynamic Creative:** Many advertisers wish to show different ads to different customers; for example, an advertiser might wish to show a woman's polo to a woman and a man's polo to a man. Dynamic creatives can refer to having a few different creatives and choosing the most appropriate one for the user through some automated means such as audience segmentation or based on frequency and recency.

**Dynamic Pricing:** The purchase price for an ad impression is determined via a real-time auction rather than a predetermined rate.

**eCPA:** Effective Cost Per Acquisition. This is calculated by dividing your cost (or revenue) by the number of conversion events.

**eCPC:** Effective Cost Per Click. A translation from CPMs, CPCs, CPAs, and other pricing models so they can be compared.

**eCPM:** Effective Cost Per Thousand. A translation from CPMs, CPCs, CPAs, and any other pricing models so they can be compared to each other.

**Engagement Metrics:** Most digital media buyers are interested in measuring the effectiveness of their advertising. This is most easily done by direct marketers who use CPAs, but there are a variety of other ways to measure the impact of ads via "customer engagement." Some possible engagement metrics are whether a user has watched an entire video ad, if a user hovers over a creative with a mouse, and the popular (but possibly low-value) click. The term engagement metrics may also be applied to things other than advertising, such as how long a visitor spends on a web site.

**EMP:** Estimated Minimum Price. Has been changed to Estimated Clear Price.

**Estimated Average Price:** EAP is a bid price estimated to win about half of the impressions from display platform sellers based on historical bids and their success or failure.

**Estimated Clear Price:** ECP is a bid price that is likely to win most impressions from display platform sellers based on historical bids and their success or failure.

**Exclusive Inventory:** If inventory is associated with a particular bidder, that bidder can set an exclusive parameter so that no other bidder will see the inventory or bid on it. Useful for sitting in on auctions without participating.

**First-party Cookies:** Cookies that use the domain of the website a user is currently on. For example, if you visit [www.mysite.com](http://www.mysite.com) and the domain of the cookie is [www.mysite.com](http://www.mysite.com), then this is a first-party cookie. First-party cookies are usually used for login, user experience, and remarketing purposes. See also Third-party Cookies.

**First Touch:** An attribution model in which credit is given to the first impression a user saw. This is different than the Last View/Last Click attribution model.

**Flight:** The lifetime (start and end dates) of a campaign. A campaign can also have no flight dates and continue indefinitely.

**Frequency:** How often an ad is shown in a certain period, such as 24 hours. Advertisers often want to limit frequency to avoid overexposure.

**Frequency capping:** Limiting how often a particular creative is served to a user. For example, no more than 3 times per 24 hours.

**Guaranteed inventory:** Impressions sold ahead of time rather than in a real-time auction. See also Premium.

**iframe:** An HTML iframe tag tells the browser to open a mini browser window of a specified size inside the current window. This way the ad content cannot expand beyond the size specified and "take over" the screen.

**Impression:** A creative served to a single user at a single point in time.

**Impressions Resold:** Any impression sold to a third-party buyer.

**In-banner Video:** In-banner video creatives are played in standard banner placements rather than in video players.

**In-stream video:** In-stream video creatives are played in video players on web pages.

**Instance:** Also called a virtual machine, virtual operating system, or virtual server, an instance is an individual guest operating system that runs on top of a virtualization layer on top of a physical server. Instances are the building blocks of cloud computing.

**IAB:** Interactive Advertising Bureau. An online ad industry association focused on the growth of the interactive advertising marketplace. "The IAB educates marketers, agencies, media companies and the wider business community about the value of interactive advertising."

**Inventory:** The digital spaces in which ads are served. Publishers sell ad inventory.

**Landing Page:** The page to which a user is directed after clicking on an ad. If a user clicks on a Cheese of the Month ad, they may be directed to [cheeseofthemonth.com](http://cheeseofthemonth.com), or to [cheeseofthemonth.com/signupnow](http://cheeseofthemonth.com/signupnow) or some other landing page chosen by the advertiser. This can be slightly different than a Click URL.

**Last Click:** A type of attribution model that pays out on the last impression that was clicked on by the user.

**Last View:** A type of attribution model that pays out on the last impression that was viewed by the user.

**Lift:** The percent increase in performance (measured in ROI, CPC, CPA, etc.) that can be attributed to advertising (or some other marketing endeavor).

**Line Item:** Line items represent the financial relationship between a network and its advertiser. Line items then contain campaigns.

**Liquidity:** The quality of an asset which allows it to be bought and sold without affecting its value in a negative or extreme way.

**Longtail:** Ad inventory with relatively low number of users (e.g. most blogs) or less desirable users (very young, minimal disposable income, etc.). The longtail can be difficult to monetize.

**Lookback Window:** An amount of time taken into account when collecting data to be used for attributing conversions, a bid optimization model, or anything else. Common lookback windows are a day, 14 days, 30 days, etc.

**Marketer:** Generally a large advertiser that manages at least some of its own digital advertising. Also called a direct marketer.

**Media Plan:** A holistic view of all your real-time media buys and direct media buys.

**Metadata:** Metadata is data about data. Creative will be tagged with metadata such as its brand, the file size, etc.

**NAI:** Network Advertising Initiative. An online advertising industry association focused on consumer education about online behavioral advertising (OBA). Read more at the NAI website.

**Network:** refers generally to an Ad Network.

**Optimization:** Optimization as defined by the process of collecting data to determine the price you should bid for a piece of inventory based on how successful your campaign has been on that inventory in the past. You can optimize to a Cost per Click (CPC) or Cost per Acquisition (CPA).

**Pixel:** A pixel, also called a web bug, is a way to track user data. It is a snippet of code that calls for a 1X1 transparent pixel to be delivered to a webpage by a third-party server. When the pixel loads, the third-party server can record information such as the IP address of the user's computer, URL of the page, and time the page was viewed. See also Conversion Pixel and Segment Pixel.

**Placement:** A placement is the object that represents a piece of inventory. Publishers embed placements into web pages as Ad Tag.

**Pop Ad:** An ad that displays in a secondary browser window in front of (Popup) or behind (Popunder) the initial browser window.

**Popunder:** An ad that displays in a secondary browser window directly behind the initial browser window.

**Popup:** An ad that displays in a secondary browser window directly in front of the initial browser window.

**PPM:** Profit per 1000 ("mille") impressions.

**Premium Inventory:** The term "premium" can be used in different ways, but it most commonly refers to publisher inventory that is sold through direct channels in advance. I.e. guaranteed inventory. Often premium inventory is from a site's home page, or has some other elevated level of desirability.

**Permanent Inventory:** A portmanteau word of premium + remnant. "Remnant," or non-guaranteed inventory has an unnecessarily negative connotation, when this inventory might be first-rate.

**Programmatic Buying:** Buying through automated means, for example, by setting up a campaign in an RTB exchange or other automated system. This is opposed to more manual buys where you are in contact with a sales team, or other "offline" mechanism.

**PSA:** Public service announcement. PSAs are only available for specific sizes; in the absence of a PSA and a default creative, a blank is served.

**Publisher:** Source of inventory. Publishers are generally either managed or owned and operated. For an owned and operated publisher, you receive 100% of the profit. This is opposed to a managed publisher: a publisher that you do not own, but that you have a financial relationship with.

**Query String:** A way to pass data to a web application as part of a URL. The query string comes after a "?" in the URL, for example: [http://www.mysite.com/photos?query\\_string=17](http://www.mysite.com/photos?query_string=17)



**Reach:** The number of unique user IDs that can be reached by online advertising. You might broaden your reach by targeting new inventory, or evaluate the reach inherent in some set of user data such as "male clothes shoppers."

**Real-Time Advertising:** In real-time advertising, an auction happens when a publisher ad tag is loaded from a webpage. Advertisers compete for that particular impression based on their individual valuation of the user's worth at that time on that site from that IP address. These valuations are submitted at the time of the auction, rather than far in advance of the auction.

**Real-Time Bidding:** Bidding on inventory in real time. A real-time bid is often dynamically generated based on past performance of creatives, inventory, user groups, and other parameters. Note that real-time bidding may differ from real-time buying, which can mean allocating inventory in real-time through prioritization rather than a monetary bid. Real-time bidding also implies multiple bidding systems or exchanges making calls to each other in real time.

**Real-Time Inventory:** Inventory auctioned off in real time, as a webpage is loading. See also Real-Time Bidding.

**Recency Capping:** A way to space out the showing of an ad over time. For example, "don't show an ad to a user more than once every 20 minutes."

**Retargeting:** Targeting users who have performed an action in the past, who may therefore be more likely to perform the same or a similar task in the future. For example, an advertiser might wish to put a segment pixel on their website and then target users who have visited their website in the past because they are more likely to make a purchase.

**Remnant Inventory:** Remnant inventory is sold after "premium" inventory has been pre-sold by a direct salesforce. Remnant is sometimes synonymous with real-time inventory, and is often the target of programmatic buying. Because remnant has an unnecessarily negative connotation, other terms that have been experimented with are "premnant" (premium + remnant) or "secondary premium." Also sometimes called "tier 2" or "class 2."

**Reporting:** Data for both buyers and sellers such as much money spent, impressions seen, impressions sold, and revenue earned.

**Request:** A response is sent by a bidder and received by the Impression Bus. The generic use of "request" can refer to any attempt by one's browser to retrieve a page, including page elements such as ads, from a server on the Internet.

**Reserve Price:** The lowest price at which a bidder or member will sell an impression.

**Rich Media:** Rich media refers generally to media that has non-standard characteristics such as: Larger than ~40k, out-of-banner (OOB) behavior, features like "post to Facebook," plays video within a banner, or in-creative metrics collection.

**Rising Stars:** A set of interactive rich media creative types defined by the IAB. They include Billboard, Filmstrip, Slider, Portrait, Pushdown, and Sidekick. See examples at the IAB website.

There is also a set of Mobile Rising Star ad units, which include Filmstrip, Pull, Adhesion Banner, Full Page Flex, and Slider.

**ROI:** Return on Investment.

**ROE:** Run of exchange. All inventory available for purchase on an ad exchange.

**RON:** Run of network. All inventory managed by a network.

**ROS:** Run of site. All inventory available on a certain website.

**RPM:** Revenue per 1000 ("mille") impressions.

**Rotating Creative:** Sometimes a single ad tag is set to send one of several different creatives. The online advertising platform allows creatives that rotate between different images, but not that rotate brand, offer, or advertiser.

**Second Price Auction:** An auction type in which the bidder who submitted the highest bid pays a price equal to the second highest bid. Also known as a Vickrey auction.

**Segment:** Members of a target audience identified based on the webpages they visit, the actions they take such as making a purchase, or data such as gender or location.

**Segment Pixel:** A pixel that marks a user as belonging to a certain Segment. For example, an advertiser might place a segment pixel on the homepage and mark all visitors to the homepage as "homepage visitors."

**Semantic Targeting:** In theory, semantic targeting means figuring out what the content on a webpage is really about and being able to place ads based on that content. For example, if a website says "sunny weather," is it about great beach vacations, or is it about skin cancer, and do you want to advertise flights to Florida on it or not? However, the term is often used by different people to mean slightly different things, and is often used to be synonymous with Contextual Targeting.

**Session Frequency:** How many ads a user has seen per session.

**Supply Partner:** Online advertising network works with several supply partners such as Google's AdX, Pubmatic, Admeld, and others to provide real-time inventory to the platform. Real-time supply is also provided by networks who are members of the platform.

**Supply Side Platform:** Analogous to a Demand Side Platform, an SSP enables publishers to access demand from a variety of networks, exchanges, and platforms via one interface.

**Tag:** A snippet of HTML, generally either JavaScript or an IFRAME, that tells the browser to request some content from an ad server. "Tag" is often used to mean an ad tag but can also be a creative tag or some other kind of tag. A tag is provided by an ad server or exchange and placed in the webpage by a publisher.

**Tag Container:** Many advertisers and their media buyers use a number of tags for tracking impressions, clicks, conversions, and other data. Some use tag containers to manage these disparate pixel tags and make it easier to change them via a single source. When a page loads, the tag container code displays the code for all tags stored within the container.

**Targeting:** Choosing to serve ads to a particular segment as well as when, where, and how often to serve ads.

**Technology Providers:** Third-party entities who may assist marketers by providing bidders or other technology the ability to do online advertising.

**Third-party Cookies:** Cookies with a different domain than the website a user is currently on.

**Timestamp:** The date and time that something occurred.

**TinyTag:** These tags may include reserve pricing with a default creative as well as additional descriptive information about the inventory and/or user.

**Trading Desk:** Generally refers to buy-side platforms, most commonly within or working for advertising agencies. Also known as agency trading desks or ATDs.

**UGC:** See User Generated Content.

**Uniques:** Individual users, as represented by a Unique User ID stored both in users' browser cookies.

**Unique User ID:** Every user that a vendor sees is given a unique user ID that is stored in the user's browser cookies. This ID is not associated in any way with personally identifiable information (PII) and does not necessarily equate a unique individual; an individual may be associated with multiple user IDs due to clearing cookies or using multiple browsers and multiple devices. Also, for mobile devices, a unique user ID may be associated to multiple device IDs (e.g., Apple IDFA, OpenUDID, etc.).

**User:** A target customer for advertisers; i.e. the person browsing the web who will see an ad.

**User Agent:** This usually refers to a browser application. For example, Mozilla 5.0 is a specific user agent.

**User Data:** Information about users that makes them more valuable to advertisers. User data can include age, gender, location, intent to purchase, demographics, psychographics, wealth, past purchases, and more. Please note that user data is generally associated with a UUID found in a cookie rather than any personally identifiable information. User data is distinct from contextual data. Often used interchangeably with segment data and audience data.

**User Data Store:** A place where data is stored on a user. In general parlance, this could refer to a user's browser cookie.

**User Generated Content:** Content on a website that was posted by users, not the publisher. For example, Myspace or Facebook profiles. Different publishers have varying levels of control over user generated content.

**Vendor:** A vendor is generally a company with a specific product or service such as creating or delivering rich media, maintaining a CDN, or providing third-party data.

**Yield Management:** Broadly this refers to selling the right things to the right customer at the right time for the right price to maximize revenue. In advertising, it generally refers to maximizing the revenue of publishers and their impressions using tools such as price floors.