

The Little Guide to Industry Jargon

Adblocking

Brand Safety

Cookies

Do Not Track

EDAA

ADTEKR

Visit ADTEKRwww.ADTEKR.cominfo@adtekr.com[@ADTEKR](https://twitter.com/ADTEKR)

Contents

A-Z

Adblocking	04
AdChoices	05
Ad Exchange	06
Ad Fraud	07
Ad Network	08
Ad Server	09
Ad Tag	10
Analytics	11
Attribution	12
Audience	13
Brand Advocate	14
Brand Safety	15
Click Through Rate (CTR)	16
Cookies	17
CPA/CPC/CPM	18
Data Management Platform (DMP)	19
Demand Side Platform (DSP)	20
Device Fingerprinting	21
Do Not Track	22
EDAA	23
Geo-Targeting	24
Inventory	25
Native Advertising	26
Over The Top (OTT)	27
Private Marketplace	28
Programmatic	29
Real Time Bidding (RTB)	30
Retargeting	31
Return on Investment (ROI)	32
Supply Side Platform (SSP)	33
Tag Management	34
User Generated Content (UGC)	35

The ADTEKR Story

Adtech is a world of the few vs the many; the few who understand the inner workings of the industry, the many who blindly follow and place their trust in those in the know. To a person not versed in the dark arts of programmatic buying, real-time bidding and device fingerprinting, it can seem an impenetrable fog of jargon.

However, there is light at the end of the tunnel.



No longer is the industry trading on its mystique and asking its clients to trust a black box approach, opaquely concealing margins and underlying costs.

Adtech is beginning to realise that its true strength is in making its users aware of the power of the technology stack.

Talk to anyone at the key players in the industry and they will all tell you one thing – crucial to the continued success of the sector is education.

77% of media agencies have a “deep understanding” of programmatic...

Education of those too comfortable in their own ways to move to the new world. Education of the sector’s critics who still portray those behind adtech as looking to profit from obscurity. Education of those taking the first steps into a new world.

...but only 1 in 4 marketers had previously heard of programmatic advertising.*

ADTEKR was founded in early 2015 by Olswang, one of Europe’s leading technology law firms and a legacy firm of CMS, a global, sector-focused law firm.

It was created to provide this kind of education – looking to bring the adtech message to those who may not be technically-minded; those who work in the marketing sector but are not marketers; those who are looking for a guiding light to help them through the jargon.

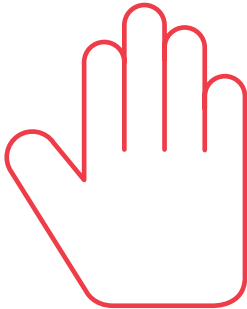
*Source:

“Why and how ‘programmatic’ is emerging as key to real-time marketing success”, IAB Europe.

Adblocking

An ad blocker is a piece of software that a user installs on their computer or mobile device that detects advertising and prevents it from being loaded by the user's device. Users generally install ad blockers because they are looking to protect their privacy (by not being tracked by advertising), improve the user experience of websites (including faster page loading and fewer distractions) and to save data usage (particularly important for mobile devices).

Publishers and the advertising industry believe that advertising is fundamental to keeping the internet free. Without advertising revenues, publishers would instead have to charge users for access to content.



AdChoices is an advertising industry-led scheme to allow users to exercise choice as to participation in online behavioural advertising. It allows users to opt-out from having data collected about them and used to target advertising to them. It is operated by the Digital Advertising Alliance (the "DAA") in the United States and the European Interactive Digital Advertising Alliance (the "EDAA") in Europe.

It operates via a small icon that is displayed in the corner of all adverts that make use of targeting technologies. If a user clicks that icon, it displays details of the company (usually the ad network or ad exchange) behind the ad and allows the user to click through to various tools that allow that user to opt-out of future targeted advertising from that company, or from all companies.

"It allows users to opt-out from having data collected about them and used to target advertising to them."

AdChoices

Ad Exchange

An ad exchange is a marketplace allowing publishers and media owners to sell advertising inventory to advertisers using real-time bidding.

Exchanges rely on programmatic advertising technologies to dynamically buy inventory based on a specific user or device, including assessing the value of each user or device to the advertiser and adjusting its maximum bid accordingly.

Advertisers and agencies will often buy inventory through an ad exchange via a demand side platform (DSP) or using their own bidding platforms and technologies. Open exchanges allow all buyers to see and bid on all inventory within the exchange. Private exchanges are more selective – see Private Marketplaces for more information.



Ad fraud refers to the practice of generating impressions and/or clicks by non-human users. An increasing problem in the digital advertising industry, rogue publishers will sell advertising inventory on their sites and then use computer bots to visit those sites and cause advertising impressions to be delivered or interact with adverts on those sites and generate clicks.

These impressions and clicks are then charged to the advertiser despite the non-human user having no value to the advertiser.

Third party technologies can be used by advertisers to attempt to detect ad fraud but it remains an arms-race between the bot creators that are using increasingly sophisticated techniques to avoid detection, and the ad fraud detection companies.

“Ad fraud refers to the practice of generating impressions and/or clicks by non-human users.”

Ad Fraud

Ad Network

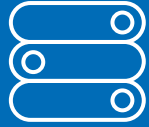
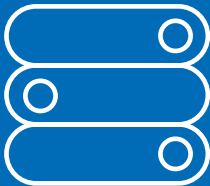
Back in the murky depths of time, online advertising was traded similarly to print advertising – advertisers would call website owners and agree a direct deal for a given space on their site. A problem was soon encountered - the explosive growth in the number of websites meant that there was not enough advertising to go around using direct deals. Enter the ad network, a company to which publishers could outsource the management of their advertising space.

By having access to advertising space across multiple websites, the ad network moved advertising from being site-based (i.e. the advertiser paying for a specific space on a specific site) to being audience-based. Advertisers could therefore now purchase audiences which most closely map to their target consumer without needing to know exactly where that advert is being displayed. It also allowed differentiation across a sliding scale of relevance – the more aspects of an audience which a user meets, the higher the price the advertiser is willing to pay.

Most ad networks are blind networks – this means that the advertiser only knows the audience it is targeting at the point it purchases the advertising inventory, it does not know exactly where its advertising will be displayed.

An ad server is a piece of technology that stores, delivers and manages advertising content. Crucially, it provides the mechanism by which advertising content is served for display in the relevant inventory, across websites, social media and mobile applications. Often, providers of ad serving technology will also offer tracking and analytics services, including independent monitoring and reporting on the success of online campaigns.

There are two main types of ad server: agency/third party ad servers and publisher ad servers. While the technology is broadly the same, agency/third party ad servers allow advertisers to manage their content across a range of publisher websites, whereas publisher ad servers manage content with respect to the inventory and assets of a specific publisher.



Ad Server

Ad Tag

An ad tag is a small snippet of code that is inserted onto a webpage wherever advertising is due to appear.

It includes a unique identifier for the advertising to be delivered into that space and a URL that informs a user's browser where the ad content is located.



Analytics is the process of collecting, measuring and analysing data to uncover meaningful patterns. Online advertising analytics involves interpreting detailed information about website or app usage to better understand user behaviour.

At a basic level, advertisers can measure the effectiveness of marketing campaigns, quantifying impressions and clicks generated by digital ads to track the relationship between ads and sales. More sophisticated analytics involve using different metrics to build a deeper understanding of demographics and consumer segments.

“Online advertising analytics involves interpreting detailed information about website or app usage to better understand user behaviour.”

Analytics

Attribution

In digital marketing, attribution is a process by which the success of an ad campaign can be measured. It involves tracing a user's journey from purchase back to initiation – whether a digital ad, television ad, out-of-home ad or word of mouth – to better inform the advertiser as to its most successful advertising channels.

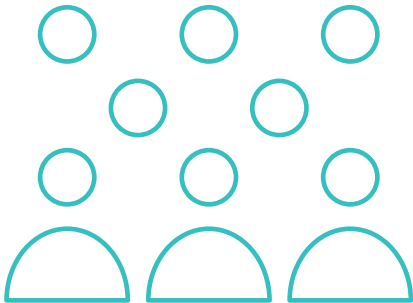
The tracing of these journeys also allows for correct accreditation for a sale to a particular ad campaign – this is particularly important where a campaign is paid for on a CPA basis as the resultant sale (or other applicable action) will trigger payment to the relevant publisher.

“Attribution involves tracing a user’s journey from purchase back to initiation – whether a digital ad, television ad, out-of-home ad or word of mouth.”

An audience is simply a cross-section of people, identified with varying levels of sophistication and complexity.

For example, “males” is a simple audience but equally a more complex audience may be “males aged 16 – 35 who are married and own at least one car”.

Advertising is often purchased against a particular audience. It is important for advertisers not to over-target advertising as this will mean that reach is reduced (as although each individual person in a hyper-targeted audience is more likely to respond to the advertising creative, the number of people matching the targeting criteria is significantly reduced).

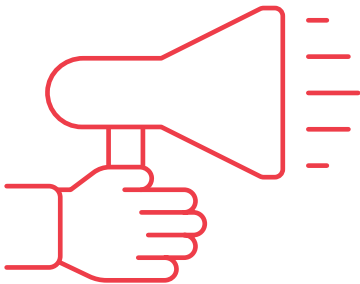


Audience

Brand Advocate

Not to be confused with “online influencers” (usually celebrities or popular bloggers), brand advocates are existing members of a business’s customer base, and do not receive compensation from the brands they endorse.

The lack of incentives (e.g. free products or discounts) required to engage brand advocates can make them a very sustainable marketing force, while their brand loyalty ensures substantial results. The downside of relying on brand advocates is that there can be little stopping these consumers from switching to another brand.



Programmatic advertising technology allows brands to buy online advertising inventory by reference to audiences, rather than publishers' websites.

While this ensures that the advertising reaches the right people, it means the brand has limited control over where adverts appear. Although websites can be divided into "whitelists" and "blacklists" to prevent ads appearing in manifestly offensive or problematic places (e.g. filtering out adult content sites), there may still be circumstances where ads are placed in a context that may negatively impact the advertiser's brand. For example, an advert for an airline could appear on a premium publisher's news website next to an article about a plane crash.

Put simply, brand safety is the practice of ensuring that an ad does not appear in a context which could undermine or damage the brand, through use of data science and algorithms aimed at identifying inappropriate content.

"Brand safety is the practice of ensuring that an ad does not appear in a context which could damage a brand."

Brand Safety

Click Through Rate (CTR)

CTR stands for Click Through Rate and is a metric for measuring the success of a digital advertising campaign. It represents the percentage of users that were shown an ad and actually clicked on that ad.

For example, if an advert has been displayed 1000 times and has received 10 clicks, then the CTR is 0.01%.

Measuring CTR is one way of tracking how well an advert is performing – a high CTR is a good indicator that users view the advert as relevant and are engaging with the campaign.



Cookies are small pieces of information that are stored on a user's device. They can record lots of different information, from a unique identifier for that user, the date upon which the user last visited a website, the fact that a user is logged in or the contents of a user's shopping basket.

Cookies can also be used for online behavioural advertising as they allow an ad network (or other similar company) to identify a user across a number of different websites, allowing the ad network to build up a profile of that user and their interests.

When used in behavioural advertising, cookies can also refer to other similar technologies such as JavaScript tags used to collect device information for device fingerprinting.

“Cookies can record lots of different information, from a unique identifier for a user to the date upon which the user last visited a website.”

Cookies

CPA/CPC/CPM

Methods of charging for advertising campaigns include:

CPA = Cost per Action

A charging mechanic where an advertiser only pays upon a certain fixed action being undertaken by a user. This is often a more complex action than a simple click – for example, this may be a user subscribing to a newsletter. Generally, CPA rates are high due to the unpredictability of income for the advertising network or publisher.

CPC = Cost per Click

A common charging mechanism where an advertiser pays each time a user clicks on an advert. This is often used for direct-response advertising that aims to attract a click from a user.

CPM = Cost per Thousand

The advertiser pays a fixed cost per thousand impressions delivered to users. As this is based simply upon the ad being shown to a user rather than any positive action being taken by the user, CPM rates are usually low. This can be used very effectively for brand-based advertising that is aimed at raising awareness of a brand generally rather than aiming for a specific action by a user.

A data management platform is a data warehouse that advertisers can use to store all of its data. More than just a database, these platforms often also include more advanced functionality that allows advertisers to manipulate and sort this data.

Given that advertising is becoming increasingly data-driven, advertisers are generating and receiving data from a huge number of different places. To maximise advertising efficiency, it is important to collate and analyse this data to measure campaign effectiveness across all advertising channels. DMPs can help to provide the algorithms and computing power to analyse this vast pool of data and spot issues and trends that could be used to optimise future campaigns.

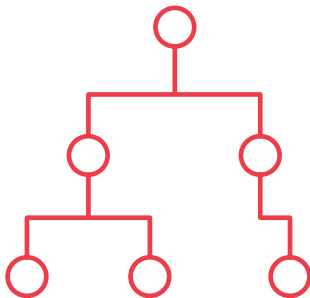
“DMPs can help to provide the algorithms and computing power to analyse an advertiser’s pool of data.”

Data Management Platform (DMP)

Demand Side Platform (DSP)

A DSP is a web-based platform which allows a single point of access to purchase inventory across multiple channels. These channels include purchases from ad exchanges. DSPs can either be standalone, independent entities or they can sit within (and be managed by) agency groups. In this case they are known as Agency Trading Desks.

DSPs power programmatic buying, allowing automated purchasing of advertising inventory and often encompass complex targeting technology and algorithms aimed at maximising the effectiveness of advertising campaigns.



Device fingerprinting is a process by which a website can identify a particular user's device (e.g. a smartphone, tablet or laptop) using a combination of data. A unique ID or "fingerprint" is created through probabilistic analysis of data collected via JavaScript tags. Some examples of the type data used include details of a device's operating system, display parameters, time settings and browser versions. The fingerprinting process does not usually involve collecting any personally identifiable information.

Assigning a device fingerprint provides a way for websites to track users without the need for cookies, which means the process is especially useful for tracking users of mobile devices. The drawback of relying on device fingerprinting is that the accuracy of the data used decreases over time as the device information changes (for example, the number of installed apps may remain the same for a day but then change).

"A unique ID or "fingerprint" is created through probabilistic analysis of data."

Device Fingerprinting

Do Not Track

Do Not Track is a technology embedded into web browsers that automatically adds a header to all web requests stating that the user wishes to opt out of tracking by third-party websites. This should not be confused with users simply opting-out from tracking on a specific advertiser's website.

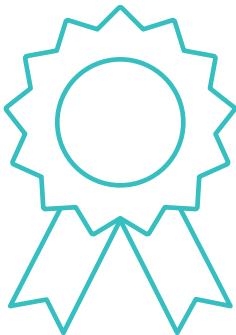
Do Not Track was originally created in response to a call from the FTC in the US for the advertising industry to implement a system which allows users to indicate in a single place to all advertisers that they have opted out of tracking.

Do Not Track remains controversial given its whitewash approach (a user opts-out once at the point of setting up a browser and this impacts all browsing from then on) and both the Digital Advertising Alliance in the US and the EDAA in Europe have announced that they do not require their members to honour Do Not Track requests.

“Do Not Track technology enables users to use a browser setting to globally opt out of tracking by websites.”

EDAA stands for “European Interactive Digital Advertising Alliance” and is cross-industry self-regulatory initiative developed by leading European bodies to introduce pan-European standards to enhance transparency and user control for online behavioural advertising. The EDAA operates www.youronlinechoices.eu, a portal where consumers can find information on the practice of online behavioural advertising as well as a mechanism for exercising informed choice.

The EDAA operates a self-certification scheme for companies within Europe and undertakes regular audits of such companies to ensure that the principles of the EDAA standards are being complied with.



EDAA

Geo-Targeting

This refers to the practice of targeting a user to receive an ad based upon that user's location usually calculated from a user's IP address. This could be on the basis of country, city, street or even exact coordinates.

This is used extensively in mobile advertising where location information from the mobile device is often readily available.

Geo-targeting is generally a helpful technique for improving campaign ROI. If an advertiser is looking to advertise flights from London to New York, targeting advertising towards users in either of those cities is more likely to lead to successful conversions. In a mobile context, location-based social networks can also help advertisers target users in very specific circumstances, for example, at train stations and airports.



Inventory is the term used to describe the amount and type of advertising space that a publisher has available for advertisers to purchase. It is often calculated month by month. Used in the traditional sense, the term can refer to printed media but is often used to refer to online adverts, including mobile ads.

The value of ad inventory online is usually established by looking at the traffic a site receives or the amount of ad views that a publisher can provide to an advertiser.

“Inventory is the term used to describe the amount and type of advertising space that a publisher has available for advertisers to purchase.”

Inventory

Native Advertising

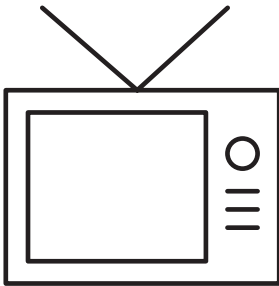
Native advertising refers to any form of advertising that is designed to resemble the format of the content on a given publisher website or app. It can take many forms depending on the layout and approach of the underlying publisher website or app. Common forms are advertorials (content paid for by an advertiser but presented as an article on the publisher website) and in-feed ads (such as those which appear in your Facebook news feed interspersed between status updates).

Native advertising was developed to provide a better user experience than more overt ad types such as banners and interstitials.

“Native advertising is designed to resemble the format of the content on a given website or app.”

OTT or “Over The Top” refers to the ability to access premium content through a device that connects to the internet, allowing users to watch programmes on any device they own, without requiring them to subscribe to a traditional cable or satellite pay-TV service. It’s often marketed as TV Anywhere / TV Everywhere.

OTT programming is usually the same content people watch on traditional TV broadcast, served through connected devices such as Apple TV and Chromecast. These connected devices enable ad serving and campaign measurement, meaning there are numerous new opportunities for advertisers who have otherwise been limited by traditional linear TV advertising.



Over The Top (OTT)

Private Marketplace

In general, ad sales within an ad exchange occur in a public market place where advertisers buy aggregated inventory from publishers that has been classified by the audience that will see that inventory. In a public market place any publisher can sell any inventory and any advertiser can buy it.

Private marketplaces however, are exclusive in the sense that they incorporate a small group of certain publishers and only sell premium inventory to selected advertisers.

In this way, the publishers retain more control on who they are selling their inventory to, thus ensuring that unrelated or inappropriate products are not advertised on their site, and have the ability to set higher floor prices (the minimum price for which they will sell a piece of inventory) while advertisers gain access to premium publishers programmatically and often at a discount when compared with direct sales.

“Private marketplaces are exclusive ad exchanges selling premium inventory.”

One of the key services offered to brands by marketing agencies is placing ads where they will have the biggest impact. Traditionally, this was done by human buyers.

Although often thought to only refer to complex or sophisticated processes such as real time bidding (RTB), programmatic essentially just means the automated sale and purchase of online ad inventory. This may include using algorithms to work out the optimum place and time for an advert to appear or may simply be an automated way of completing the ad purchase.



Programmatic

Real Time Bidding (RTB)

RTB stands for “Real Time Bidding”. Through ad exchanges, publishers have the ability to make sales at the point the relevant webpage is loaded by a user. Rather than traditional ad sales, where inventory is sold often months in advance, with real time bidding the ad inventory is instantly put out to auction via an ad exchange when an user visits a web page, with the whole purchase process taking a fraction of a second.

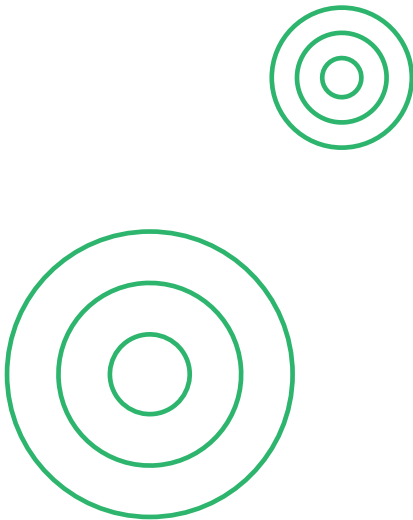
Advertisers’ algorithms use that user’s profile to decide how much that user is worth to the advertiser by assessing the various characteristics of that user’s profile (such as age, location and interests).

The algorithm then converts the value of the user into a bid for the advertising inventory. The advertiser with the highest bid gets to place its ad on that page in front of that user. This means that what is being sold is the single page impression and the cost to an advertiser is linked directly to the value of that user.

“RTB is the sale of inventory via an instantaneous auction at the point a webpage is loaded.”

Retargeting describes a form of behavioural advertising where a user is targeted based on their previous actions.

For example, if a user visits Site A and adds items to a basket but then does not complete the purchase and subsequently moves to visit Site B, they may be targeted with advertising for Site A encouraging the user to complete the purchase.



Retargeting

Return on Investment (ROI)

ROI or “Return on Investment” is a metric for assessing the success of an advertising campaign by considering the profit generated as a percentage of the cost of that advertising campaign. For example, if a campaign costs \$10,000 and your total sales resulting from conversions from that campaign is \$12,000, your ROI is 20%.

Vital to accurately calculating ROI is the ability to track conversions from the source advertising campaign through to sale. This is generally straightforward when considering only digital channels (as a click on a campaign resulting in a direct sale can be easily tracked) but can be more complex when considering multi-channel conversions (for example, attributing a sale in-store to a digital advert seen by that user).

“The success of an advertising campaign by considering the profit generated as a percentage of the cost of that advertising campaign.”

An SSP is a platform used by publishers to maximise revenue when selling their advertising inventory. SSPs place inventory onto multiple ad exchanges; DSPs then purchase the inventory on behalf of marketers. SSPs allow publishers to open up their impressions to as many potential buyers as possible, ensuring that they can get the highest price for their inventory.

SSPs were created partly in response to the rise of programmatic ad buying software that attempts to purchase ad inventory at the lowest price. SSPs give publishers greater control over selling their inventory as they are able to set “floor prices” and also allow publishers to choose which advertisers can and cannot buy from them.



Supply Side Platform (SSP)

Tag Management

A “tag” is a piece of code on a website that is used to collect data about a site’s visitors (such as links clicked and total time spent on the site) and in addition can be used to create a unique device profile.

However, tags on a website can cause problems for users. Too many of them on a website can slow load-times, and tags are often subject to technical errors.

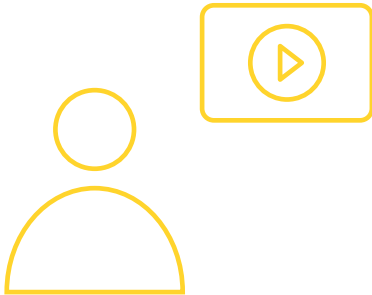
Various companies specialise in “tag management”, troubleshooting these issues, allowing a simple, one-stop shop for management of multiple tags from a variety of sources, and generally looking after the tracking technology used in digital advertising.

“A “tag” is a piece of code on a website that is used to collect data about a site’s visitors.”

User generated content (UGC) is content that is created by the users of websites, rather than the websites themselves, media owners or advertisers. This type of content includes customer reviews, comments, posted pictures and video clips.

Social media sites in particular encourage and facilitate the publication of UGC.

Brands and advertisers can benefit from monitoring UGC, measuring the effectiveness of campaigns by tuning into content created by their target audience and identifying potential audience influencers.



User Generated Content (UGC)

ADTEKR

**For further information
please contact the ADTEKR
team on the details below:**

 www.ADTEKR.com

 info@adtekr.com

 [@ADTEKR](https://twitter.com/ADTEKR)

