Ad Tech Terms Glossary

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Google

A

Ad Buying Tool

An ad buying tool is software or a user interface that provides advertisers the opportunity to purchase digital advertising. Google ad buying tools include Google Ads and Display & Video 360.

Ad Exchange

An ad exchange is a digital marketplace that facilitates the purchase and sale of digital ads, often through real-time auctions. An ad exchange connects advertisers who want to show ads to people with publishers who are looking to monetize their available website, video or app ad space.

Ad Impression

An ad impression refers to each individual instance where an ad is shown or will be shown to a user.

Ad Inventory

Ad inventory is the space accompanying a publisher's digital content (e.g., a website, app, video streaming platform, etc.) where ads can be displayed. Ad inventory is like digital real estate where an ad can be shown.

Ad Network

An ad network brings together a pool of publisher ad inventory to be matched with advertisers looking for places to show their ads, acting as an intermediary between the two.

Ad Request

An ad request is a signal sent to an ad tech tool to facilitate an ad impression. For example, code on a publisher's property could send an ad request to a publisher ad server to show an ad, or a publisher ad server could send an ad request to an ad exchange. An ad request can contain information about the ad impression, such as the identity of the website, app, or video player.

Ad Server

An ad server is a software platform that helps publishers and advertisers manage and deliver digital ad campaigns within a website, app, or video player. There are both publisher and advertiser ad servers.

Ad Tech

Ad tech, short for advertising technology, refers to the software and tools used to facilitate the buying and selling of digital advertising. It encompasses a wide range of technologies, platforms, and services that enable advertisers to reach their target audiences and publishers to sell their ad inventory.

Ad Tech Fees

Ad tech fees are the costs an advertising technology provider charges for using their platforms, services, and features to buy or sell digital ads.

AdMeld

AdMeld was an ad tech company that helped online publishers sell their ad inventory via yield management. Google acquired AdMeld in 2011, and integrated its yield management technology into AdX.

Advertiser (or Ad buyer)

An individual, company, or organization that pays to promote a product, service, cause, or idea through various media channels. Ultimately, advertisers aim to reach their target audiences with persuasive messages that drive desired actions or outcomes.

Ads Personalization

The practice of tailoring advertisements to different audiences based on their interests, demographics, behaviors, and preferences. Ads personalization uses information collected about audiences to deliver ads that are more relevant and engaging, ultimately increasing the likelihood of accomplishing an advertiser's campaign goals.

Advertising Agency (Agency)

A professional service business that specializes in creating, planning, and managing advertising campaigns for clients (brands, non-profits, government organizations, etc.) Advertising agencies often purchase ads on behalf of advertisers to accomplish their campaign goals, negotiating and determining ad prices on their behalf.

Automation

In the context of digital advertising, automation refers to using technology and software to streamline and optimize various aspects of the process of buying and selling ads, reducing manual effort and improving efficiency.

AwBid

A program launched by Google to develop integrations between Google Ads and non-Google exchanges to enable advertisers using Google Ads to buy impressions being offered for sale by publishers through non-Google ad exchanges.

B

Banner Ad

Banner ads are typically rectangular graphics, embedded in a web page, app, or video player, to promote an advertiser's product or message and/or drive traffic to a specific website or app. These ads can include images, text, video, sound, and interactive elements.

Buy-side

In digital advertising, the buy-side refers to the groups purchasing or facilitating the purchase of ad space to show advertisements. The "buy-side" would include advertisers and ad agencies. Similarly, technology platforms built to service this group's specific needs and facilitate buying ad space are sometimes referred to as buy-side platforms.

C

Connected TV (CTV)

Connected TV (CTV) refers to television sets that are connected to the internet and can stream digital video content. This includes smart TVs with built-in internet capabilities, and TVs connected to external devices like streaming sticks, gaming consoles, or set-top boxes. Connected TV is a rapidly growing form of display advertising, presenting new opportunities for advertisers to buy ads and for publishers to show their content.

Conversion

A conversion occurs when a person takes an action after interacting with an ad. These specific actions, like clicking a link, making a purchase, or downloading an app, are defined by the advertiser based on what is valuable to their goals and metrics of campaign success.

Cost-per mille (CPM)

Cost-per-mille (CPM), also known as cost-per-thousand impressions, is a unit of account in advertising. Ad impressions are often priced on a CPM basis.

D

Demand

In the context of digital advertising, demand can refer generally to advertisers willing to purchase ad inventory across various websites, apps, and video players.

Demand-Side Platform (DSP)

A Demand-Side Platform (commonly abbreviated as a DSP) is a type of ad buying tool that helps advertisers buy ad inventory from many publishers. DSPs can be used to participate in real-time bidding auctions across ad exchanges or can be used to negotiate deals with publishers directly to reserve ad space.   DSPs simplify and automate the process of purchasing display advertising, reaching target audiences efficiently and effectively.

Digital Advertising

Digital advertising includes all forms of advertising that are delivered through online channels, including, but not limited to, websites, mobile apps, social media platforms, search engines, streaming services, and connected TV. It can appear in various formats like image ads, video ads, and search ads to reach audiences online.

Direct Deals

Direct Deals are when an ad buyer (advertiser) negotiates directly with an ad seller (or publisher) to purchase ad space. Types of Direct Deals can include Programmatic Guaranteed, Reservations, Preferred Deals and others.

Display Advertising

Display advertising is a category of digital advertising. Display advertising uses visual components, like images, text, animations and videos to promote products or services. These ads are placed on websites, apps, video players including connected TVs, social media platforms, and more, and can take various positions and forms on a digital property.

DoubleClick

Founded in 1996, DoubleClick was a digital advertising company that offered multiple ad tech products used to buy, sell and measure ads. Google acquired DoubleClick in March 2008 after the deal was reviewed by both the FTC and the European Union. Since then, Google has built upon and evolved DoubleClick's ad tools into ad products which are available today.

DoubleClick for Publishers

DoubleClick for Publishers (DFP) was a publisher ad server that helped publishers manage, sell, and deliver their ad inventory across websites and mobile apps. In 2018, Google brought together the products previously known as DFP and AdX under a single user interface and rebranded them as Google Ad Manager (GAM).

Dynamic Allocation

Dynamic allocation was a feature of DFP that enabled publishers to ensure that an impression would only sell through Google's AdX ad exchange where an AdX buyer was willing to pay more than the publisher expected to receive from other demand sources. Dynamic Allocation was updated in 2014 to allow direct sales (reservations and deals that are made directly with advertisers) to compete for the same ad space alongside indirect sales.

Dynamic Revenue Share

An optimization where an ad tech tool, such as an ad exchange, adjusts its revenue share on a per-impression basis to increase the number of impressions sold.

F

First-Party Data (1P Data)

First-party data refers to information that a publisher or marketer collects directly from its customers with their consent. This can include information like purchase history, interactions within a website, feedback from customer surveys, and email subscriptions.

First Price Auction

In a first price auction, the bidder with the highest bid wins the auction and pays a price equal to its bid. Google Ad Manager runs a first-price auction.

Frequency Capping

A digital advertising technique that limits the number of times an ad is shown to an individual user. This is done to prevent showing the same ad over and over, which can be a negative experience for users and can harm the perception of an advertiser or publisher.

G

Google Ad Manager

Google Ad Manager is Google's ad tech platform for website, app and video publishers to manage and sell ad space on their properties. It consists of an ad exchange (formerly known as AdX) and an ad server (formally known as DoubleClick for Publishers or DFP). Publishers can use Google Ad Manager's ad serving without using the ad exchange functionality and can use Google Ad Manager's ad exchange without its ad serving functionality.

Google AdMob

Google AdMob is a Google ad network focused on mobile app ad inventory. The AdMob ad network connects app publishers with advertisers who are looking to buy ad space in apps.

Google Ads

Formerly known as Google AdWords, Google launched Google Ads in 2000 and helps advertisers and agencies create and display ads on Google properties, including Google Search results pages, YouTube and Gmail, as well as partner websites and apps that are part of the Google Display Network.

Google AdSense

AdSense is a Google ad network focused on website inventory. AdSense connects website publishers with interested advertisers and facilitates matching ads to a site based on its content and audience, making it easier for website owners to monetize their content.

Google AdX

Google's ad exchange (now called Google Ad Manager) AdX enables advertisers to purchase ad space from publishers with websites, apps, or video space via real-time bidding.

Google Display & Video 360

Formerly known as DoubleClick Bid Manager (DBM). Google Display & Video 360 (DV360) is a Google ad buying tool which helps advertisers and agencies plan, execute, and measure their display advertising campaigns across various channels and formats all in a single tool. It's part of Google Marketing Platform and contains an evolution of consolidated former DoubleClick products, like DoubleClick Bid Manager, Campaign Manager, Studio, and Audience Center.

H

Header Bidding

Header bidding is a technology where publishers can run an auction among multiple ad exchanges simultaneously for a given ad space. Header bidding can be used in combination with a publisher ad server.

I

In-App Advertising

In-app advertising refers to the practice of displaying advertisements within mobile applications, so app developers can grow their business and advertisers can reach audiences on mobile devices. These ads can take various formats, including banner ads, interstitials between mobile app content, video ads, rewarded ads where a person receives an in-app bonus for watching the ad, and playable ads where a user can play a game within the ad itself.

Indirect Sales (or Indirect Transactions)

With indirect sales, a publisher and advertiser transact an impression through third-party intermediaries (i.e., there is not a direct negotiation between the publisher and advertiser), and typically in an automated process.

Integrated Services

The act of combining various ad tech tools and services into a unified platform or suite, providing a more comprehensive solution for advertisers and publishers to accomplish their goals. An integrated services platform can include tools for ad serving, campaign management, audience targeting, creative optimization, data analytics, and reporting. By integrating these functions, businesses can manage their ads more effectively, gain deeper insights into performance, and make data-driven decisions to optimize strategies.

Interoperability

Interoperability refers to the ability for an ad tech platform to work effectively with other solutions, including other ad tech platforms.

M

Measurement

The process of quantifying and evaluating the performance of advertising campaigns. It involves collecting and analyzing data to determine the reach, frequency, impact, and return on investment of ads.

Mobile Advertising

A form of digital advertising that takes place on smartphones, tablets, and other mobile devices. Mobile advertising can take place in internet browsers and apps on mobile devices.

Monetization

Monetization refers to businesses making revenue by selling digital advertising space to advertisers, whether that is on websites, apps, video players, or other digital platforms.

O

Open Bidding

Open Bidding (previously referred to as Exchange Bidding) allows non-Google ad exchanges to compete in real-time (often against AdX) for the ad space offered for sale by Google Ad Manager or AdMob publishers.

OpenRTB protocol

The OpenRTB (Real-Time Bidding) protocol is a standardized specification developed by the IAB Tech Lab. The Open RTB protocol defines a set of rules and guidelines for communication between different ad tech tools involved in real-time bidding transactions.

Optimization

In digital advertising, optimizations refer to improvements made to tools, solutions and algorithms in order to help advertisers better achieve their goals and maximize ROI and help publishers better fill and monetize their ad inventory.

P

Prebid

Prebid is an open-source header bidding solution that helps publishers to implement and run header bidding auctions for their inventory directly on their websites and apps.

Programmatic Advertising

Programmatic advertising is the automated process of buying and selling of digital ad space using ad technology platforms. It streamlines the process of matching advertisers with publishers, allowing them to target specific audiences and optimize campaigns in real time.

Programmatic Guaranteed

A programmatic method for buying advertising space where an advertiser negotiates directly with a publisher to secure a predetermined amount of ad inventory at a fixed price. Once agreed upon, the publisher reserves and guarantees inventory specifically for that advertiser's campaign at the fixed price. Programmatic Guaranteed deals are normally brokered and managed via ad tech tools.

Publisher

In the advertising industry, a publisher is a company or person that owns (and/or operates) a digital property, such as a website, app, social media network or streaming service, and offers advertising space to brands and advertisers. Publishers make money by selling this ad space to advertisers who want to advertise to their audience.

R

Real-Time Bidding (RTB)

Real-Time Bidding (RTB) is a programmatic advertising protocol where digital ad space is bought and sold through an automated process in real-time, typically within milliseconds of when the ad impression is generated (e.g., when a user visits a website, or watches part of a video). With RTB, bids are often tailored to the characteristics of the ad impression being sold.

Reporting

Collecting, organizing, and analyzing data on the performance of digital advertising campaigns. Reporting provides insights into many metrics, enabling advertisers, publishers, and other stakeholders to measure the effectiveness of their strategies and make informed decisions to optimize their ads business.

Reservations

Reservations are one way an advertiser can purchase and a publisher can sell ad inventory. A reservation is a commitment to hold and deliver an agreed-upon ad space or impression volume to an advertiser..

Return on Ad Spend (ROAS)

A metric measuring the revenue generated for every dollar spent on advertising.

Return on Investment (ROI)

A broader metric measuring the profitability of an investment (not just ads) relative to its cost.

Revenue Share

In advertising, revenue share is a term for the fees charged by ad tech companies. The revenue share is often defined as a percentage of ad spend (for example, if an ad tech tool takes a 10% revenue share, it will retain 10% of the buyer's spend through that tool).

Reserve Price Optimization

Reserve Price Optimization is a feature that helps publishers set price floors in auctions by optimizing auction floor prices (the minimum bid to purchase the ad space) to help publishers improve their revenue from ad sales.

S

Second Price Auction

In a second price auction, the highest bidder wins the auction, and pays the amount larger than the second-highest bid or applicable auction floor price.

Sell-side

The part of the ad tech ecosystem representing publishers (website, app, video streaming owners, etc.) who sell ad inventory (ad space) to advertisers and the tools those publishers use to sell their ad space.

Smart Bidding

A set of automated bidding strategies offered by ad platforms (like Google Ads) that use machine learning to optimize bids for goals like conversions, target ROAS, and more.

Supply-Side Platform (SSP)

A technology platform that helps publishers (websites, apps, video streaming services) manage and sell their ad inventory.

T

Targeting

Targeting refers to advertisers selecting specific audiences to show ads to based on their demographics, interests, behavior, and more.

Third-Party Cookie (3PC)

A small piece of data stored on a user's browser by a domain other than the one they're visiting. Third-party cookies have been used in advertising to measure and personalize ad campaigns, but are overall declining in usage as the industry changes how it approaches user privacy.

Traffic

The volume of people visiting a website, app, video platform, or other digital property. Advertisers often buy ad inventory based on expected levels of traffic, and may be willing to pay more for highly-trafficked space.

U

Unified Auction

In a unified auction, all advertiser demand sources are evaluated for an ad impression at the same time. Google Ad Manager runs a unified auction, and compares guaranteed campaigns alongside non-guaranteed sources, like AdX and header bidding auctions in the same unified auction.

User

A "user" refers to people on the internet. During a user's experience on the internet, they will typically see and interact with relevant digital ads across websites, apps and video content.

V

Video Ads

An ad that appears in a video format, either before, during, or after video content, or as standalone ads on websites, apps, and other digital properties.

Viewability

A metric measuring whether an ad was actually seen by a user, in contrast to measuring whether an ad was served or downloaded.

W

Waterfall

Waterfall refers to a strategy publishers use to sell their ad space, where ad space is offered to demand source in a sequential order determined by the publisher. The publisher offers their inventory to the first demand source they have selected, and if the ad space is not sold to that demand source, the inventory is then offered to the next demand source, and so on. This continues until the impression is sold or reaches the end of the waterfall of demand sources available.

Y

Yield

Yield refers to how much money a publisher makes by selling its ad inventory.