

Ad terminology / definitions

Source: <http://www.adglossary.com/index.php>

- **Cost per thousand** (CPM) is one of the online payment models by which advertisers pay for every 1000 impressions of their advertisement. Prices typically range from \$1 to over \$50 per thousand impressions. This is an ideal method of payment for advertisers who want to guarantee only the number of people who sees their banner. The "M" in CPM is from the Roman numeral for 1000. The Roman numeral M was derived from the latin word "mille" meaning "thousand".
- **Cost per click** (CPC) is one of the online payment models by which advertisers pay for each click through made on their advertisement. Prices typically range from 1¢ to over 50¢ per click through. This is an ideal method of payment for advertisers who need to guarantee they only pay for those viewers of the banner that click on it and visit a page on their site. CPV
- **CPL** - One of the types of CPA, a cost per lead (CPL) method allows advertisers to pay for every lead or customer inquiry that resulted from a visitor who clicked on a their advertisement. Prices typically range from \$1 to \$10. This is an ideal method of payment for advertisers who want to guarantee only the number of potential customers with an interest generated as a result of a advertisement. Also known as cost per inquiry (CPI)..
- **CTR** -- The percentage of impressions that resulted in a click through. Calculated by dividing the number of clicks by the number of impressions. For example if a banner was click on 13 times after being displayed 1000 times, the banner would have a click rate of ($13 \div 1000 = .013$) 1.3%. This is also commonly know as a banners click rate.eCPM
- **Impressions** - The number of times a banner ad was requested and presumably seen by users. It is often hard to obtain an accurate impression count as they can be undercounted due to issues relating to cache or overcounted due to requests that were not completed.
- **Pageviews** - Occurs when a user's browser requests a web page. A single page view may create multiple calls to the server if the page contains multiple elements such as banners. Since page views do not take into consideration users who may have their browsers set to disable images, they are of little value to advertisers. Pageviews do not equal impressions.
- **Clicks** - The number of click throughs that have occurred as a result of a user clicking on a banner and being redirected to an advertisers web page.
- **Remnant Inventory** - Advertising space that remains unsold right before it is about to be used and thus often sold at a discount at the last minute. Guaranteed inventory

- **Campaign** - The process of planning, creating, buying and tracking an advertising project from start to finish. Placements/Lines
- Terms and Conditions
- **AAAA** - Founded in 1917, the American Association of Advertising Agencies (AAAA) is the national trade association representing the advertising agency business in the United States. Its membership produces approximately 75 percent of the total advertising volume placed by agencies nationwide.
- **Line Item** - A unit of advertising that is sold by the publisher to the advertiser. It specifies the details of the sale, such as site, section, ad size, date(s) to run, cost, etc.
- **Agency** - An advertising company that represents other companies by providing advertising related services such as planning, creating, buying and tracking an advertisement on behalf of their client.
- **IAB** - Founded in 1996, the Interactive Advertising Bureau (IAB) is the leading online global advertising industry trade association with over 300 active member companies in the United States alone. IAB activities include evaluating and recommending standards and practices, fielding research to document the effectiveness of the online medium and educating the advertising industry about the use of online and digital advertising.
- **Skyscraper** - A type of ad unit that is much taller than it is wide. Often used in columns of web pages where there is a lot of unused vertical space but limited horizontal space.
- **Cachebusting** - This process, also known as "cache bursting", is accomplished by adding a random number to the banner HTML each time the page is reloaded. This causes a separate banner request to be sent to the server, thus insuring the banner is not cached and banner advertisement impressions are not undercounted.
- **RON** - Run of network (RON) means a banner will appear on any page of any site that is part of an ad network. Since this type of buy is not targeted, it tends to be the least expensive type of advertisement that can be purchased.
- **ROS** - Run of site (ROS) means a banner will appear anywhere on a web site as opposed to run of category (ROC) which would appear only on pages within a specific category.
- **ROI** - Return on investment (ROI) is the process used to determine whether the monetary benefits from an expenditure, such as a advertising campaign, are above or below the amount of money spent on the campaign. Depending on the objective of an advertising campaign, the ROI may be hard to determine with certainty.
- **Skinned Video** – a video advertisement wrapped inside of a graphical advertisement, typically a custom created .jpg image. Of all of Mochi's ad offerings, this product commands the highest CPM

- **Host-initiated Audio** – an audio stream originating from inside the advertisement and the audio automatically plays on browser load. No user-initiation is required.
- **Host-initiated Video** -- an video stream originating from inside the advertisement and the video automatically plays on browser load. No user-initiation is required.
- **Insertion Order** – a contract between a publisher (Mochi) and an advertiser / agency outlining the particular aspects of the advertising buy, such as the budget, rates, impression goals, targeting, start and end dates and overarching terms and conditions.
- **Share of Voice:** is the advertiser's percentage of inventory for a given segment of inventory for a given period of time. Let's say that fighting games in the USA get 1 million daily impressions. Advertiser X buys enough inventory so that her ads comprise 750,000 impressions of the daily total of 1 million USA fighting game impressions. Advertiser X has a share of voice of 75% in US fighting games.
- **Reach:** is the percentage of a target audience that are exposed to at least one advertisement in a given period of time.
- **Frequency:** is the number of times a member of a target audience is shown a specific advertisement in a given period of time