

## advertising terminology on the Internet

**Ad** : For Web advertising, an ad is almost always a **banner** , a graphic image or set of animated images (in a file called an **animated GIF** ) of a designated **pixel** size and byte size limit. An ad or set of ads for a campaign is often referred to as "the creative." Banners and other special advertising that include an interactive or visual element beyond the usual are known as **rich media** .

**Ad rotation** : Ads are often rotated into ad spaces from a list. This is usually done automatically by software on the Web site or at a central site administered by an ad broker or server facility for a network of Web sites.

**Ad space** : An ad space is a space on a Web page that is reserved for ads. An *ad space group* is a group of spaces within a Web site that share the same characteristics so that an ad purchase can be made for the group of spaces.

**Ad view** : An ad view, synonymous with ad **impression** , is a single ad that appears on a Web page when the page arrives at the viewer's display. Ad views are what most Web sites sell or prefer to sell. A Web page may offer space for a number of ad views. In general, the term **impression** is more commonly used.

**Affiliate marketing** : Affiliate marketing is the use by a Web site that sells products of other Web sites, called *affiliates* , to help market the products. Amazon.com, the book seller, created the first large-scale affiliate program and hundreds of other companies have followed since.

**Banner** : A banner is an advertisement in the form of a graphic image that typically runs across a Web page or is positioned in a margin or other space reserved for ads. Banner ads are usually Graphics Interchange Format ( **GIF** ) images. In addition to adhering to size, many Web sites limit the size of the file to a certain number of bytes so that the file will display quickly. Most ads are **animated GIF** s since animation has been shown to attract a larger percentage of user clicks. The most common larger banner ad is 468 **pixel** s wide by 60 pixels high. Smaller sizes include 125 by 125 and 120 by 90 pixels. These and other banner sizes have been established as standard sizes by the Internet Advertising Bureau.

**Beyond the banner** : This is the idea that, in addition to banner ads, there are other ways to use the Internet to communicate a marketing message. These include sponsoring a Web site or a particular feature on it; advertising in e-mail newsletters; co-branding with another company and its Web site; contest promotion; and, in general, finding new ways to engage and interact with the desired audience. "Beyond the banner" approaches can also include the **interstitial** and **streaming video infomercial** . The banner itself can be transformed into a small **rich media** event.

**Booked space** : This is the number of ad views for an ad space that are currently sold out.

**Brand, brand name, and branding** : A brand is a product, service, or concept that is publicly distinguished from other products, services, or concepts so that it can be easily communicated and usually marketed. A brand name is the name of the distinctive product, service, or concept. Branding is the process of creating and disseminating the brand name. Branding can be applied to the entire corporate identity as well as to individual product and service names. In Web and other media advertising, it is recognized that there is usually some kind of branding value whether or not an immediate, direct response can be measured from an ad or campaign. Companies like Procter and Gamble have made a science out of creating and evaluating the success of their brand name products.

**Caching** : In Internet advertising, the **caching** of pages in a **cache server** or the user's computer means that some ad views won't be known by the ad counting programs and is a source of concern. There are several techniques for telling the browser not to cache particular pages. On the other hand, specifying no caching for all pages may mean that users will find your site to be slower than you would like.

**Click** : According to ad industry recommended guidelines from **FAST** , a click is "when a visitor interacts with an advertisement." This does not apparently mean simply interacting with a **rich media** ad, but actually clicking on it so that the visitor is headed toward the advertiser's destination. (It also does not mean that the visitor actually waits to fully arrive at the destination, but just that the visitor started going there.)

**Click stream** : A click stream is a recorded path of the pages a user requested in going through one or more Web sites. Click stream information can help Web site owners understand how visitors are using their site and which pages are getting the most use. It can help advertisers understand how users get to the client's pages, what pages they look at, and how they go about ordering a product.

**Clickthrough** : A clickthrough is what is counted by the sponsoring site as a result of an ad click. In practice, *click* and *clickthrough* tend to be used interchangeably. A clickthrough, however, seems to imply that the user actually received the page. A few advertisers are willing to pay only for clickthroughs rather than for ad impressions.

**Click rate** : The click rate is the percentage of ad views that resulted in clickthroughs. Although there is visibility and branding value in ad views that don't result in a clickthrough, this value is difficult to measure. A clickthrough has several values: it's an indication of the ad's effectiveness and it results in the viewer getting to the advertiser's Web site where other messages can be provided. A new approach is for a click to result not in a link to another site but to an immediate product order window. What a successful click rate is depends on a number of factors, such as: the campaign objectives, how enticing the banner message is, how explicit the message is (a message that is complete within the banner may be less apt to be clicked), audience/message matching, how new the banner is, how often it is displayed to the same user, and so forth. In general, click rates for high-repeat, branding banners vary from 0.15 to 1%. Ads with provocative, mysterious, or other compelling content can induce click rates ranging from 1 to 5% and sometimes higher. The click rate for a given ad tends to diminish with repeated exposure.

**Co-branding** : Co-branding on the Web often means two Web sites or Web site sections or features displaying their logos (and thus their brands) together so that the viewer considers the site or feature to be a joint enterprise. (Co-branding is often associated with cross-linking between the sites, although it isn't necessary.)

**Cookie** : A **cookie** is a file on a Web user's hard drive (it's kept in one of the subdirectories under the browser file directory) that is used by Web sites to record data about the user. Some ad rotation software uses cookies to see which ad the user has just seen so that a different ad will be rotated into the next page view.

**Cost-per-action** : Cost-per-action is what an advertiser pays for each visitor that takes some specifically defined action in response to an ad beyond simply clicking on it. For example, a visitor might visit an advertiser's site and request to be subscribe to their newsletter.

**Cost-per-lead** : This is a more specific form of cost-per-action in which a visitor provides enough information at the advertiser's site (or in interaction with a rich media ad) to be used as a sales lead. Note that you can estimate cost-per-lead regardless of how you pay for the ad (in other words, buying on a **pay-per-lead** basis is not required to calculate the cost-per-lead).

**Cost-per-sale** : Sites that sell products directly from their Web site or can otherwise determine sales generated as the result of an advertising sales lead can calculate the cost-per-sale of Web advertising.

**CPA** : See **cost-per-action** .

**CPC** : See **cost-per-click**.

**CPM** : CPM is "cost per thousand" ad impressions, an industry standard measure for selling ads on Web sites. This measure is taken from print advertising. The "M" has nothing to do with "mega" or million. It's taken from the Roman numeral for "thousand."

**CPS** : See [cost-per-sale](#) .

**CPTM** : CPTM is "cost per thousand targeted" ad impressions, apparently implying that the audience you're selling is targeted to particular demographics.

**(the) creative** : Ad agencies and buyers often refer to ad banners and other forms of created advertising as ""the creative." Since the creative requires creative inspiration and skill that may come from a third party, it often doesn't arrive until late in the preparation for a new campaign launch.

**CTR** : See [clickthrough rate](#) .

**Demographics** : Demographics is data about the size and characteristics of a population or audience (for example, gender, age group, income group, purchasing history, personal preferences, and so forth).

**FAST** : FAST is a coalition of the Internet Advertising Bureau ([IAB](#)), the ANA, and the ARF that has recommended or is working on guidelines for consumer privacy, ad models and creative formats, audience and ad impression measurement, and a standard reporting template together with a standard [insertion order](#) . FAST originated with Procter and Gamble's Future of Advertising Stakeholders Summit in August, 1998. FAST's first guideline, available in March, 1999, was a guideline on "Basic Advertising Measures." Our definitions in this list include the FAST definitions for [impression](#) and [click](#) .

**Filtering** : Filtering is the immediate analysis by a program of a user Web page request in order to determine which ad or ads to return in the requested page. A Web page request can tell a Web site or its ad server whether it fits a certain characteristic such as coming from a particular company's address or that the user is using a particular level of browser. The Web ad server can respond accordingly.

**Fold** : "Above the fold," a term borrowed from print media, refers to an ad that is viewable as soon as the Web page arrives. You don't have to scroll down (or sideways) to see it. Since screen resolution can affect what is immediately viewable, it's good to know whether the Web site's audience tends to set their resolution at 640 by 480 pixels or at 800 by 600 (or higher).

**Hit** : A hit is the sending of a single file whether an [HTML](#) file, an image, an audio file, or other file type. Since a single Web page request can bring with it a number of individual files, the number of hits from a site is a not a good indication of its actual use (number of visitors). It does have meaning for the Web site space provider, however, as an indicator of traffic flow.

**Impression** : According to the "Basic Advertising Measures," from [FAST](#) , an ad industry group, an impression is "The count of a delivered basic advertising unit from an ad distribution point." Impressions are how most Web advertising is sold and the cost is quoted in terms of the cost per thousand impressions ( [CPM](#) ).

**IO** : See [insertion order](#) .

**Insertion order** : An insertion order is a formal, printed order to run an ad campaign. Typically, the insertion order identifies the campaign name, the Web site receiving the order and the planner or buyer giving the order, the individual ads to be run (or who will provide them), the ad sizes, the campaign beginning and end dates, the CPM, the total cost, discounts to be applied, and reporting requirements and possible penalties or stipulations relative to

the failure to deliver the impressions.

**Inventory** : Inventory is the total number of ad views or impressions that a Web site has to sell over a given period of time (usually, inventory is figured by the month).

**Media broker** : Since it's often not efficient for an advertiser to select every Web site it wants to put ads on, media brokers aggregate sites for advertisers and their media planners and buyers, based on demographics and other factors.

**Media buyer** : A media buyer, usually at an advertising agency, works with a media planner to allocate the money provided for an advertising campaign among specific print or online media (magazines, TV, Web sites, and so forth), and then calls and places the advertising orders. On the Web, placing the order often includes requesting proposals and negotiating the final cost.

**Opt-in e-mail** : Opt-in e-mail is e-mail containing information or advertising that users explicitly request (opt) to receive. Typically, a Web site invites its visitors to fill out forms identifying subject or product categories that interest them and about which they are willing to receive e-mail from anyone who might send it. The Web site sells the names (with explicit or implicit permission from their visitors) to a company that specializes in collecting mailing lists that represent different interests. Whenever the mailing list company sells its lists to advertisers, the Web site is paid a small amount for each name that it generated for the list. You can sometimes identify opt-in e-mail because it starts with a statement that tells you that you have previously agreed to receive such messages.

**Pay-per-click** : In pay-per-click advertising, the advertiser pays a certain amount for each [clickthrough](#) to the advertiser's Web site. The amount paid per clickthrough is arranged at the time of the [insertion order](#) and varies considerably. Higher pay-per-click rates recognize that there may be some "no-click" [branding](#) value as well as clickthrough value provided.

**Pay-per-lead** : In pay-per-lead advertising, the advertiser pays for each sales lead generated. For example, an advertiser might pay for every visitor that clicked on a site and then filled out a form.

**Pay-per-sale** : Pay-per-sale is not customarily used for ad buys. It is, however, the customary way to pay Web sites that participate in [affiliate programs](#) , such as those of Amazon.com and Beyond.com.

**Pay-per-view** : Since this is the prevalent type of ad buying arrangement at larger Web sites, this term tends to be used only when comparing this most prevalent method with pay-per-click and other methods.

**Proof of performance** : Some advertisers may want proof that the ads they've bought have actually run and that clickthrough figures are accurate. In print media, *tearsheets* taken from a publication prove that an ad was run. On the Web, there is no industry-wide practice for proof of performance. Some buyers rely on the integrity of the media broker and the Web site. The ad buyer usually checks the Web site to determine the ads are actually running. Most buyers require weekly figures during a campaign. A few want to look directly at the figures, viewing the ad server or Web site reporting tool.

**Psychographic characteristics** : This is a term for personal interest information that is gathered by Web sites by requesting it from users. For example, a Web site could ask users to list the Web sites that they visit most often. Advertisers could use this data to help create a demographic profile for that site.

**Reporting template** : Although the media have to report data to ad agencies and media planners and buyers during and at the end of each campaign, no standard report is yet available. [FAST](#) , the ad industry coalition, is working on a proposed standard reporting template that would enable reporting to be consistent.

**rich media** : Rich media is advertising that contains perceptual or interactive elements more elaborate than the usual banner ad. Today, the term is often used for banner ads with popup menus that let the visitor select a particular page to link to on the advertiser's site. Rich media ads are generally more challenging to create and to serve. Some early studies have shown that rich media ads tend to be more effective than ordinary animated banner ads.

**ROI** : ROI (return on investment) is "the bottom line" on how successful an ad or campaign was in terms of what the returns (generally sales revenue) were for the money expended (invested).

**RON** : See run-of-network .

**ROS** : See run-of-site .

**Run-of-network** : A run-of-network ad is one that is placed to run on all sites within a given network of sites. Ad sales firms handle run-of-network insertion orders in such a way as to optimize results for the buyer consistent with higher priority ad commitments.

**Run-of-site** : A run-of-site ad is one that is placed to rotate on all nonfeatured ad spaces on a site. CPM rates for run-of-site ads are usually less than for rates for specially-placed ads or sponsorships.

**Splash page** : A splash page (also known as an **interstitial** ) is a preliminary page that precedes the regular home page of a Web site and usually promotes a particular site feature or provides advertising. A splash page is timed to move on to the home page after a short period of time.

**Sponsor** : Depending on the context, a sponsor simply means an advertiser who has sponsored an ad and, by doing so, has also helped sponsor or sustain the Web site itself. It can also mean an advertiser that has a special relationship with the Web site and supports a special feature of a Web site, such as a writer's column, a Flower-of-the-Day, or a collection of articles on a particular subject.

**Sponsorship** : Sponsorship is an association with a Web site in some way that gives an advertiser some particular visibility and advantage above that of run-of-site advertising. When associated with specific content, sponsorship can provide a more targeted audience than run-of-site ad buys. Sponsorship also implies a "synergy and resonance" between the Web site and the advertiser. Some sponsorships are available as value-added opportunities for advertisers who buy a certain minimum amount of advertising.

**Targeting** : Targeting is purchasing ad space on Web sites that match audience and campaign objective requirements. Techtargget.com, with over 20 Web sites targeted to special information technology audiences, is an example of an online publishing business built to enable advertising targeting.

**Unique visitor** : A unique visitor is someone with a unique address who is entering a Web site for the first time that day (or some other specified period). Thus, a visitor that returns within the same day is not counted twice. A unique visitors count tells you how many different people there are in your audience during the time period, but not how much they used the site during the period.

**User session** : A user session is someone with a unique address that enters or reenters a Web site each day (or some other specified period). A user session is sometimes determined by counting only those users that haven't reentered the site within the past 20 minutes or a similar period. User session figures are sometimes used, somewhat incorrectly, to indicate "visits" or "visitors" per day. User sessions are a better indicator of total site activity than "unique visitors" since they indicate frequency of use.

**View** : A view is, depending on what's meant, either an ad view or a page view. Usually an ad view is what's meant. There can be multiple ad views per page views. View counting should consider that a small percentage of users choose to turn the graphics off (not display the images) in their browser.

**Visit** : A visit is a Web user with a unique address entering a Web site at some page for the first time that day (or for the first time in a lesser time period). The number of visits is roughly equivalent to the number of different people that visit a site. This term is ambiguous unless the user defines it, since it could mean a user session or it could mean a unique visitor that day.