Third Party Ad Servers

Running an online advertising campaign offers some unique but not insurmountable challenges relative to traditional advertising. By its nature, online advertising is interactive and more importantly, online metrics provide measurability far beyond that of traditional advertising. Third Party Ad Servers present a central point from which to launch, control and measure the affects of an online interactive campaign.

According to the Interactive Advertising Bureau (IAB):

> *Third party ad servers are independent, outsourced companies that specialize in managing, maintaining, serving, tracking and analyzing the results of online ad campaigns. They deliver targeted advertising that can be tailored to consumers' declared or predicted characteristics or preferences.*
>
> *Third party ad servers provide aggregated and comparative reporting for all publishers across a media buy through a central interface. They also provide aggregated and comparative reporting across media channels which include online media buys, paid search marketing, organic search rankings and email.*
>
> *Consumers are hit with a marketing message across numerous touch points over an extended period of time. A third party ad server enables marketers and media buyers to account for and track cross channel marketing to calculate a truer cost per acquisition per marketing channel.*

Primary Functions of Third Party Ad Servers:

Ad Deployment

- The management of multiple creative messages and trafficking to publishers. Placing the control of creative message rotation solely in the hands of the advertisers and/or agency, enabling them to weight the delivery of unique creative messages and placing frequency caps on specific creative messages according to user interaction and behavior rates.
- Ad formats accepted by third party ad servers vary; however, most accept standard formats including Leader boards, Rectangles and Skyscrapers. Others offer rich media including interactive banner ads, expandable ads, floating ads, video ads, video banners, synchronized banners, peelbacks, etc.

Tracking and Measurement

- Two forms of tracking:
    - Activity stemming from clicks on an ad (clickthroughs)
    - Activity stemming from viewing an ad (impressions)
- Tracking works by placing a tracer cookie on a user's computer and corresponding tracer tags on relevant pages of the advertisers Web site to measure actions such as online purchases, whitepaper downloads, newsletter sign-ups, and any other events on the site an advertiser wants to use to determine the success of the advertising.

- Measuring ad views in addition to ad clicks is a substantial benefit to using a third party ad server. According to research from DoubleClick …"typically, ½ or more of related visits in a campaign are attributed to views of an ad as opposed to direct clicks." This means that without a third party ad server, ½ or more of the effectiveness and impact of online advertising would be lost data and immeasurable.

Optimization

- Near-real time collection of data provided by third party ad servers allows for near-real time optimization of online media buys. Creative can be optimized automatically according to rule-based parameters and the performance of media outlets evaluated faster to maximize the placement and investment of advertising dollars.

Reporting

- Third party ad servers serve all ads and ad placements on a media buy through one central system. Counting methodology allows for an apples-to-apples comparison of performance across all publishers. Reports can be site specific as well as cross buy and cross channel. Reports include top line activity, front-end metrics such as impressions served and post-click/post-view activity, reach and frequency metrics and time lag to conversion activity.

Additional Features Some Third Party Ad Servers provide:

- Frequency capping so users only see messages a limited amount of time
- Sequencing ads so users see messages in a specific order (sometimes known as surround sessions)
- Excluding competition so users do not see competitor's ads directly next to one another
- Displaying ads so an advertiser can own 100% of the inventory on a page (sometimes known as "roadblocking")
- Targeting ads to users based on their previous behavior (behavioral marketing or behavioral targeting)

Advertising Benefits of Third Party Ad Serving

- **Simplified trafficking**
  - One central location to serve ads to all targeted Web sites
- **Targeting**
  - Behavioral, Contextual, Profile and Geo-targeting capabilities
- **Real-time Reporting**
  - Instant reports on the effectiveness of Web site/creative/daypart strategy
  - Reports measure across all publishing Web sites for easy analysis
- **Measurement**
  - Reports customized to measure the most important factors of your particular online campaign (impressions, clicks, clickthroughs, conversions)

Third Party Ad Server Companies:

Company	Web Address
Adjuggler	www.adjuggler.com
Atlas DMT (Microsoft)	www.atlassolutions.com
Bluestreak	www.bluestreak.com
DoubleClick Dart for Advertisers (DFA)	www.doubleclick.com
Dynamic Logic	www.dynamiclogic.com/na
Eyeblaster	www.eyeblaster.com
Eyewonder	www.eyewonder.com
Mediaplex	www.mediaplex.com
Omniture	http://www.omniture.com/en
Point Roll	www.pointroll.com
Unicast	www.unicast.com

Additional Notes:
Publishers on the Web have ad servers as well and should not be confused with the third party ad server, designed for advertisers and agencies. Publisher ad servers are called "site-side" ad servers. These servers are used as part of the publisher's business infrastructure to accurately deliver and report on ad delivery. This includes trafficking controls, workflow and inventory management. Site-side ad servers provide features that include: geographic targeting, profile-based targeting, content-based targeting and session-specific targeting.

Google will now accept certified third party ad servers into their content network. Mediaplex is one of twelve companies that Google has certified to deliver ads through Google's ad network, along with their own ad server DoubleClick Dart.

There are concerns in the marketplace that Google, who states they do not target advertising behaviorally, will accept third party servers who offer ad placements based on a behavioral targeting platform. Google has countered the critics by saying they have developed comprehensive certification policies that outline how cookies can be used on the Google Network, and require that third party ad servers cannot use cookies in connection with personal information unless the user opts in. They also said that consumers can opt out of any tracking mechanism. The market will continue to monitor how Google will work with independent ad servers and the methods they use to track consumer behavior for advertising purposes.

Summary
Third Party Ad Servers can play a powerful role in an interactive media arsenal. Using this service to manage, maintain, serve, track, and analyze the results of online ad campaigns frees up the media planner/buyer to focus on the client's specific strategy, budget requirements and advertising selections. This provides for more focused and efficient advertising campaigns that are measurable.