Adtech lessons · S1 · Ep 1

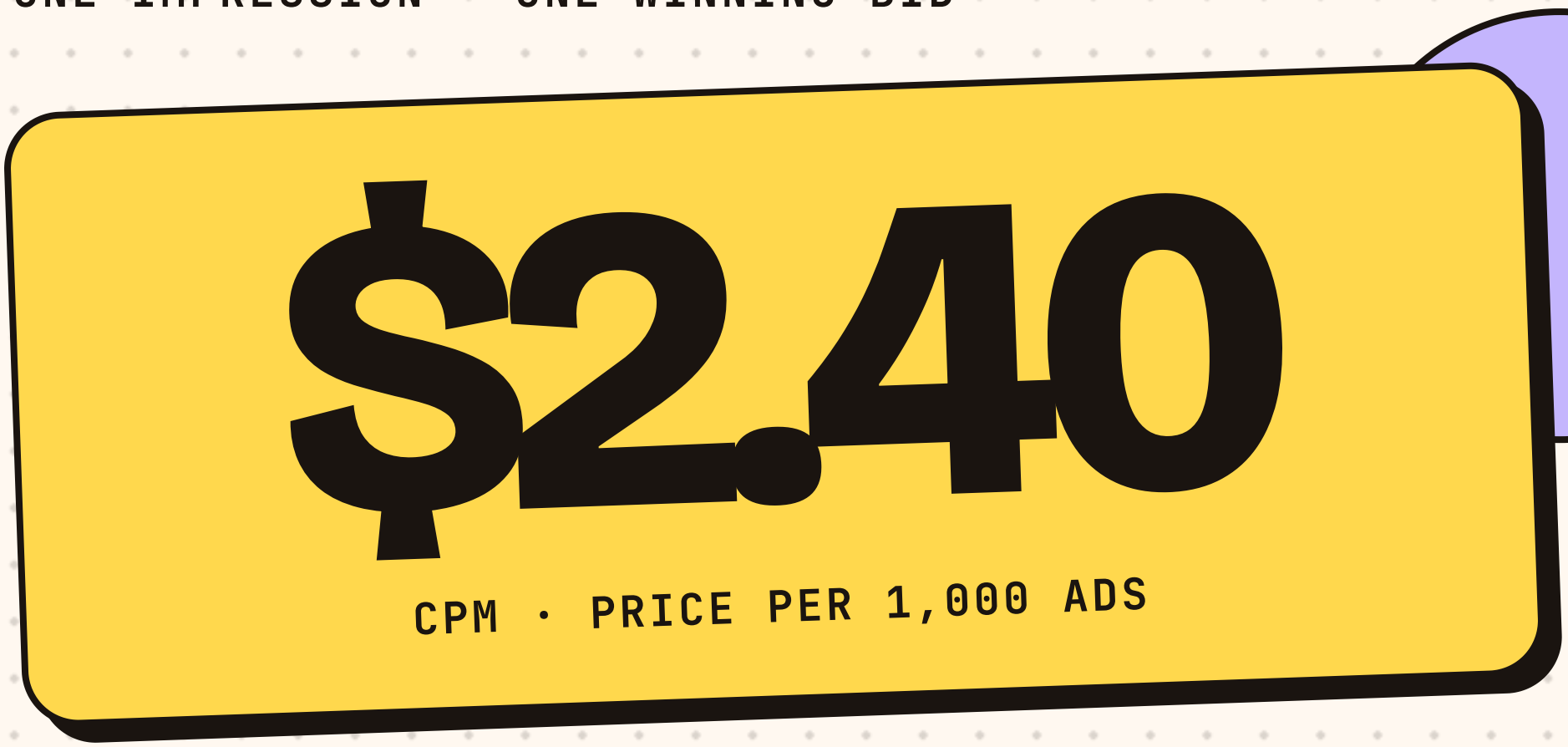
One ad, 100 milliseconds.

The auction that runs every time your page loads an ad.

Swipe →

RediAds blog.rediads.com/learn

ONE IMPRESSION · ONE WINNING BID



Sold before your page finished loading.

Here's what happens in those milliseconds, in four steps.

The term

Real-time bidding

An **auction for one impression**, run while your page loads.

Every ad slot, every page view. Not once a day: **every single time.**

Step 1 · Ask

The page asks its SSP (the seller's platform) to sell the slot.

N **news.example**
Ad slot, 300×250

↓

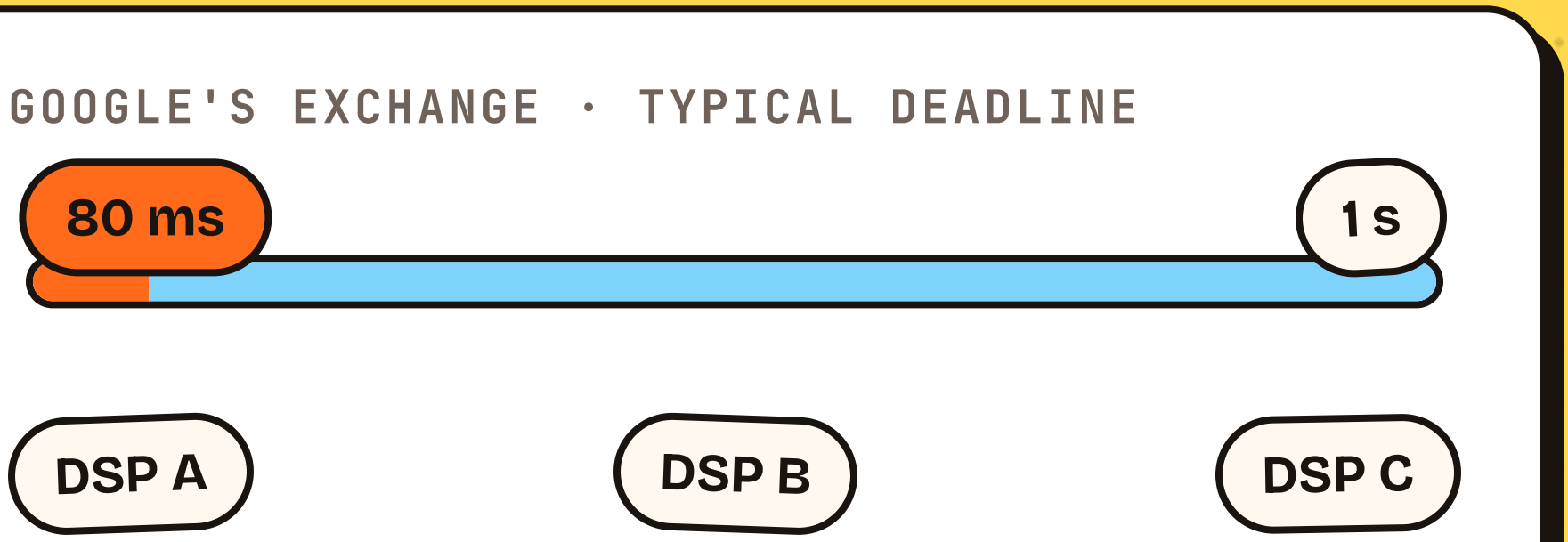
S **SSP**
Sends a bid request to buyers

```
bid request {
  "site": "news.example",
  "size": "300x250",
  "device": "mobile",
  "consent": ✓ }
```

Step 2 · Race the clock

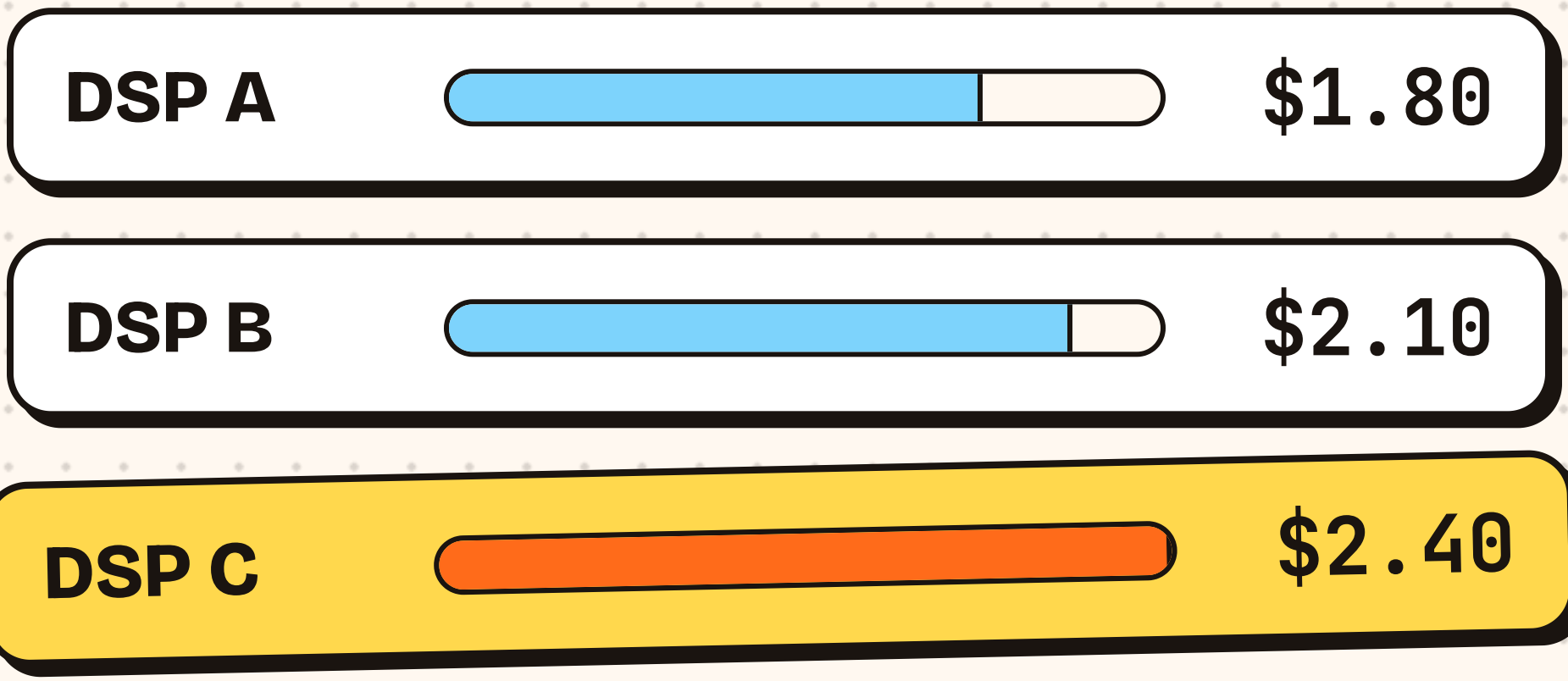
Buyers get a deadline.

Buyers' platforms (**DSPs**) must answer in time, or they're out.



Step 3 · Win

Three bids come back. In a first-price auction, the top bid wins and pays what it bid.



Step 4 · Render

So what did that one ad earn?

$2.40 ÷ 1,000

$0.0024

PER IMPRESSION · BEFORE FEES

About a quarter of a cent. CPM is a price per thousand, so revenue is a volume game.

Your check today

Ask your ad ops team one question.

"How long does our auction **wait for bids**?"

- [x] Write down the timeout in milliseconds
- [x] Note who set it, and when

Recap

Every ad, every page view:

1 Ask

2 Race

3 Win

4 Render

NEXT · EP 2

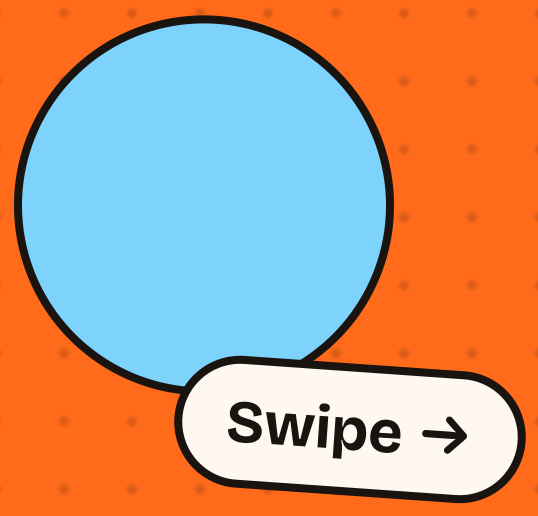
Waterfall vs header bidding: why the order you ask in costs money

Watch the 60-second video at
blog.rediads.com/learn

Adtech lessons · S1 · Ep 2

Your best buyer was never asked.

Waterfall vs header bidding: why the order you ask in costs money.



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SAME IMPRESSION · TWO WAYS TO SELL IT



The only difference: the order you ask in.

The term

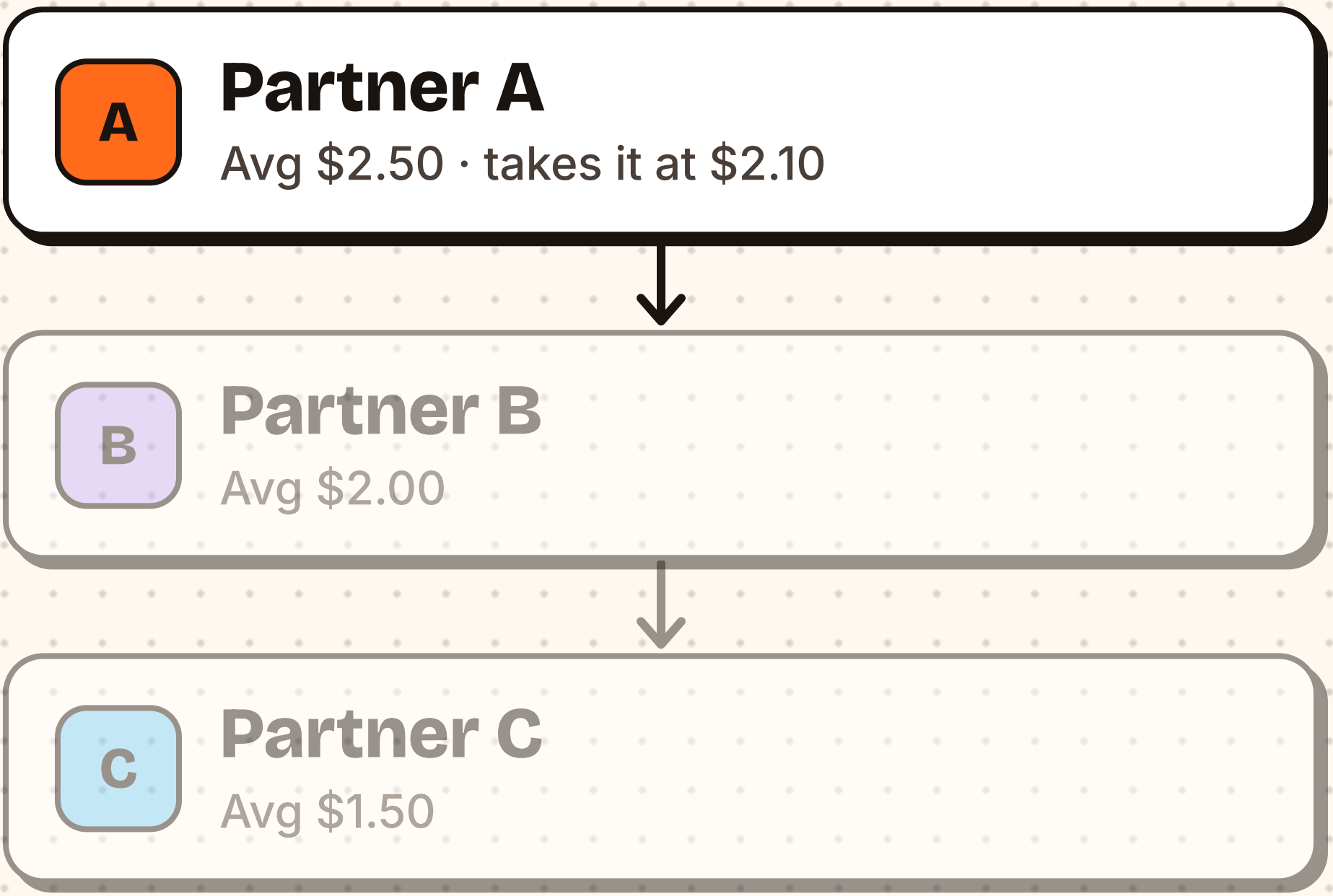
Waterfall

Partners are offered your impression **one at a time**, in a fixed order.

The order comes from **past averages**, not today's bids.

Step 1 · Ask A first

A gets first offer at a $2.00 floor. A bids $2.10 and takes it.



Step 2 · The miss

C was never asked.

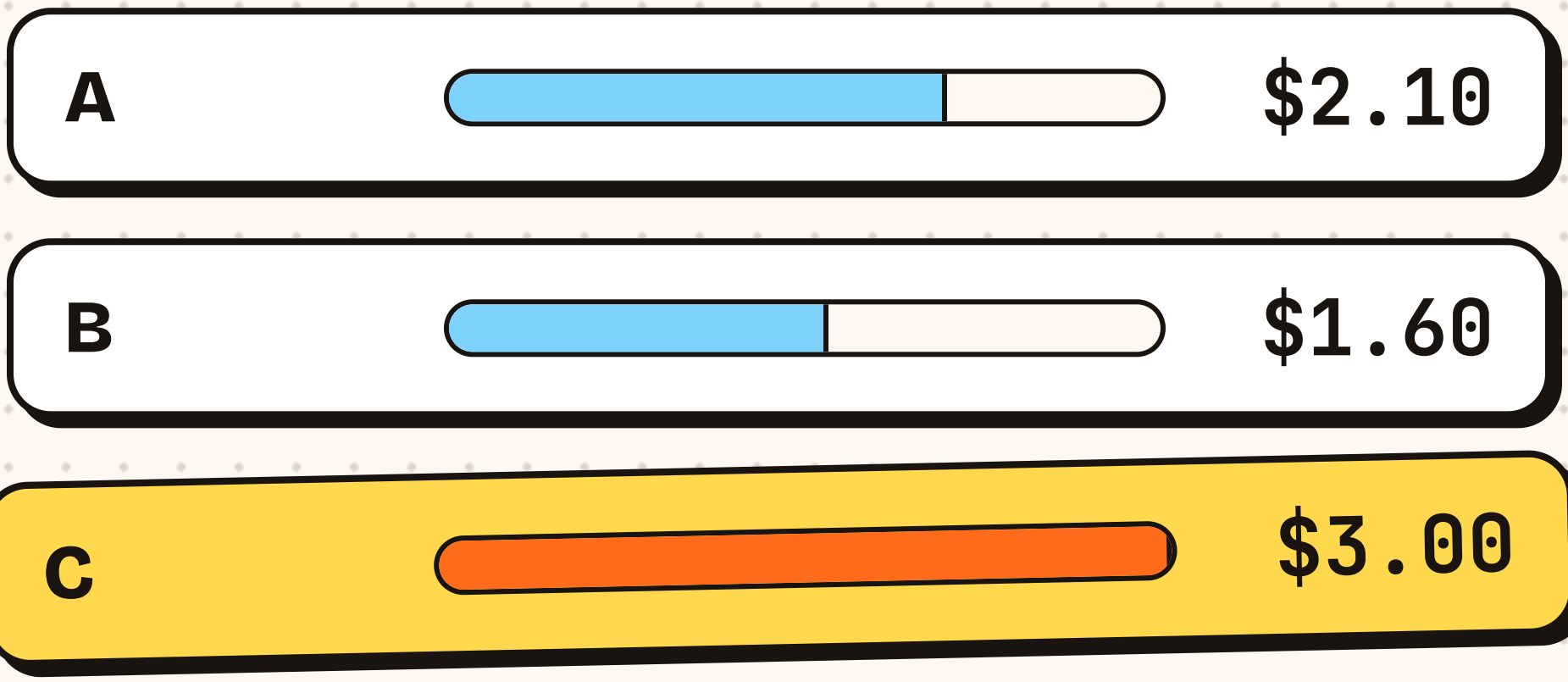
C WOULD HAVE PAID

$3.00

And every time a partner passes, the next call adds **load time.**

Step 3 · Ask everyone

Header bidding asks all three at the same moment, before your ad server decides.



Your check today

Open your ad server.

Partners in a ranked list with fixed prices?

- [x] If yes, that's a waterfall
- [x] Note who gets asked first, and at what price

Recap

Same impression:

Waterfall: one by one

Header bidding: all at once

+$0.90 CPM

NEXT · EP 3

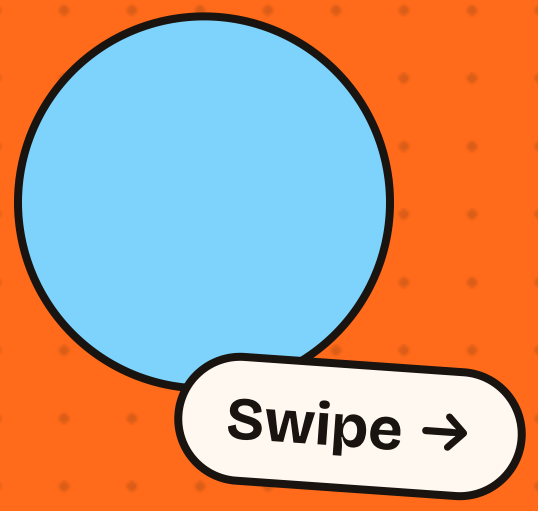
Supply path: count your hops

Watch the 60-second video at
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Adtech lessons · S1 · Ep 4

The guest list buyers check.

ads.txt and sellers.json, walked through one bid request.



A BUYER IS OFFERED YOUR AD SPACE

```
bid request {
  "site": "news.example",
  "seller": ??? }
```

Sold by you, or by a stranger?

The terms

Two public files

ads.txt

On your domain. Lists **who may sell** your ads.

sellers.json

On the SSP's domain. Names **who they are**.

Step 1 · Read the request

The request names a site and a seller account.

```
bid request {
  "site": "news.example",
  "seller": "ssp.example",
  "account": "4521" }
```

Step 2 · Check ads.txt

Does news.example/ads.txt list account 4521 as DIRECT?

```
google.com, pub-0000000000000000, DIRECT, f08c47fec0942fa0
ssp.example, 4521, DIRECT
othersell.example, 778, RESELLER
```

Yes. Check 1 passed.

Step 3 · Check sellers.json

Who is account 4521 at ssp.example?

```
{ "seller_id": "4521",
  "name": "News Example Media",
  "domain": "news.example",
  "seller_type": "PUBLISHER" }
```

Both match: the buyer bids

The stranger

Same site. Account 9999.

NOT IN YOUR ADS.TXT

UNAUTHORIZED

Google's Display & Video 360 **skips unauthorized sellers** by default.

Your check today

Match one line.

1. Open your ads.txt
2. Pick one line
3. Find that account ID in that SSP's sellers.json

Recap

Before a buyer bids:

1 Request

2 ads.txt

3 sellers.json

4 Bid

NEXT · EP 5

Client-side vs server-side header bidding

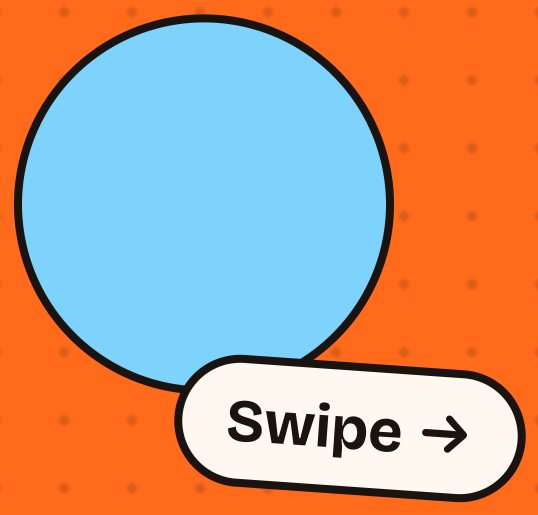
Watch the 60-second video at
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Adtech lessons · S1 · Ep 8

Higher floor, more money?

Not always.

Price floors: the number that can raise or sink revenue.



COMMON BELIEF

"A higher floor ~~always~~ means higher revenue."

Myth.

Here's when a floor helps, and when it hurts.

The term

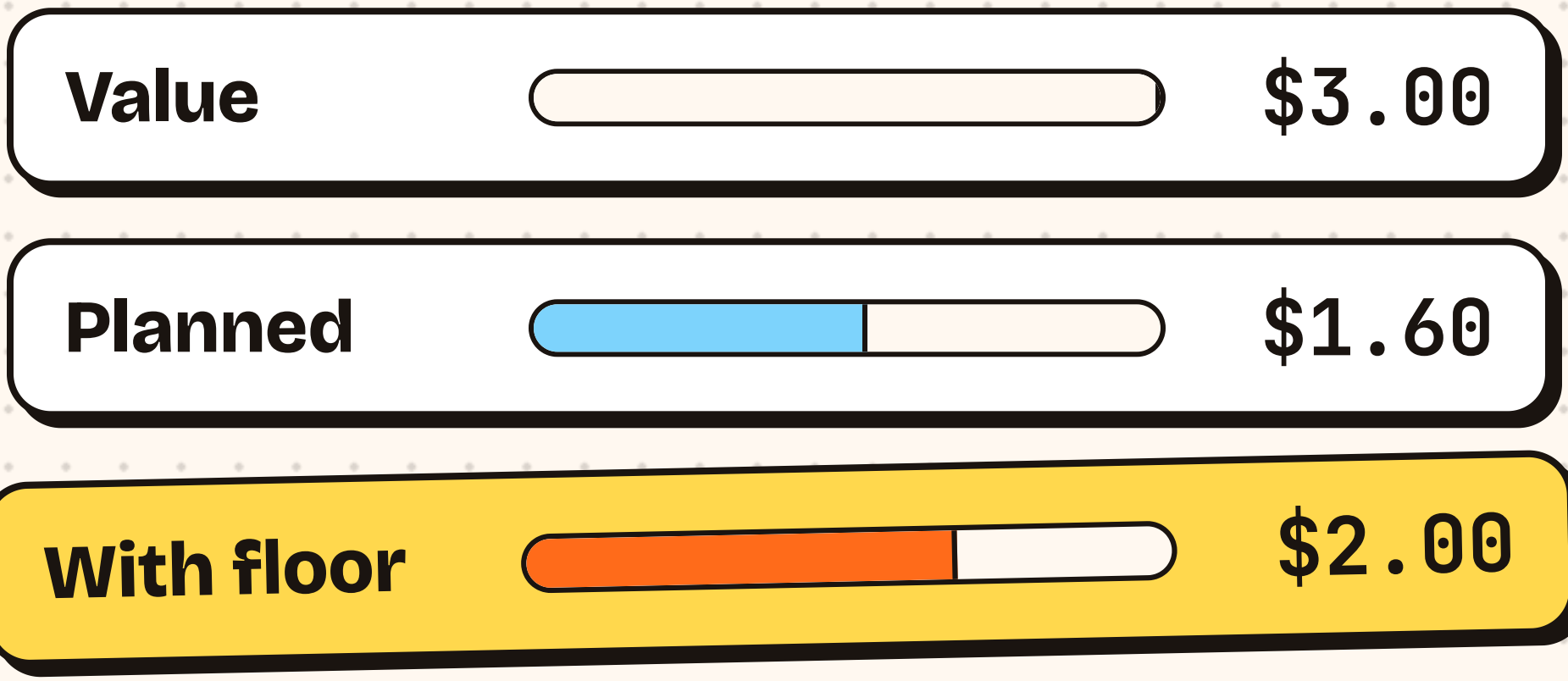
Price floor

The **lowest CPM** you'll accept for an impression.

Buyers see your floor in the **bid request**.

When it helps

A buyer values your slot at $3.00 but plans to bid $1.60. A $2.00 floor lifts it.



When it hurts

Floor $3.50. Value $3.00.

THE BUYER DOESN'T BID

No bid

Nobody else clears it. The impression goes unsold, or to a house ad.

The math

```
Revenue =
CPM × filled impressions
```

CPM ↑ | Filled ↓ | Revenue ↓

Higher CPM on **fewer impressions** can mean less money.

Your check today

After any floor change:

- [x] Compare revenue
- [x] Compare fill rate
- [ ] Not CPM alone
- [x] Change one floor at a time

Recap

A price floor can:

- Lift a low bid
- Kill the bid if too high
- Judge on revenue + fill

NEXT · EP 9

More bidders, more revenue? Not past a point

Watch the 60-second video at
blog.rediads.com/learn

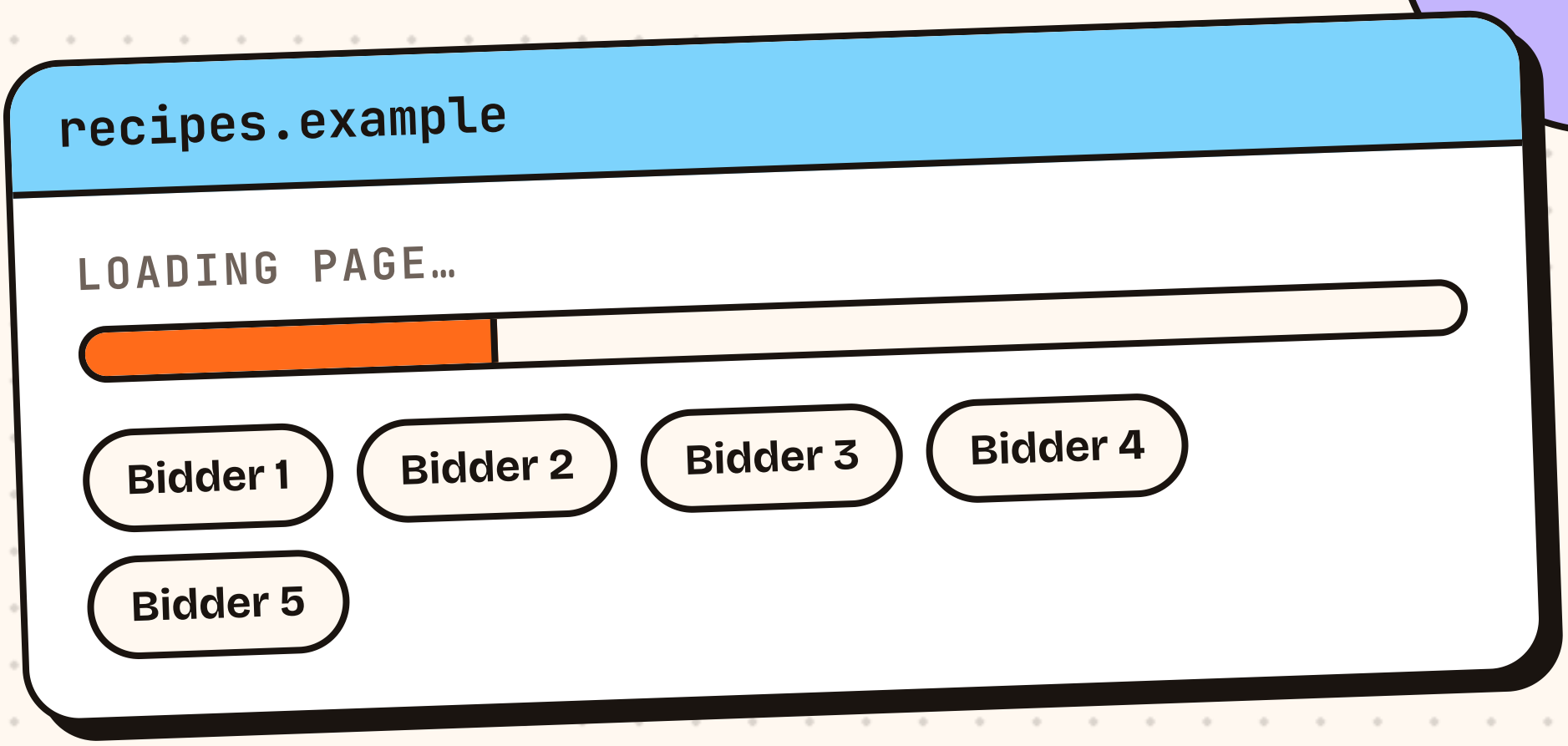
Adtech lessons · S1 · Ep 9

More bidders, more revenue?

Not past a point. Why header bidding gains flatten out.

Swipe →

THE MISTAKE



Adding bidders until the page crawls.

The term

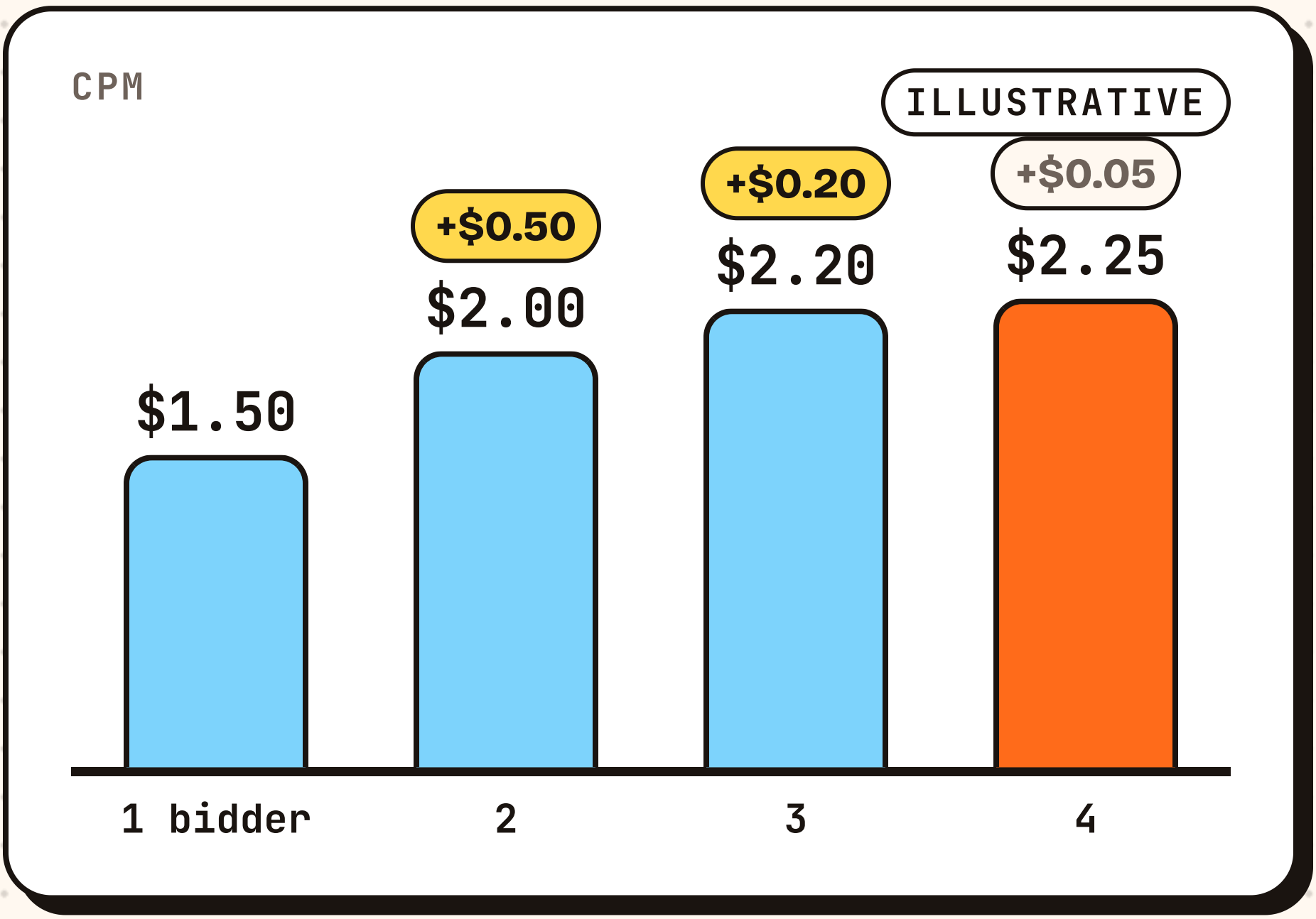
Diminishing returns

Each extra bidder adds **less revenue** than the one before.

Two reasons: **overlapping buyers** and **extra waiting**.

Step 1 · The gains shrink

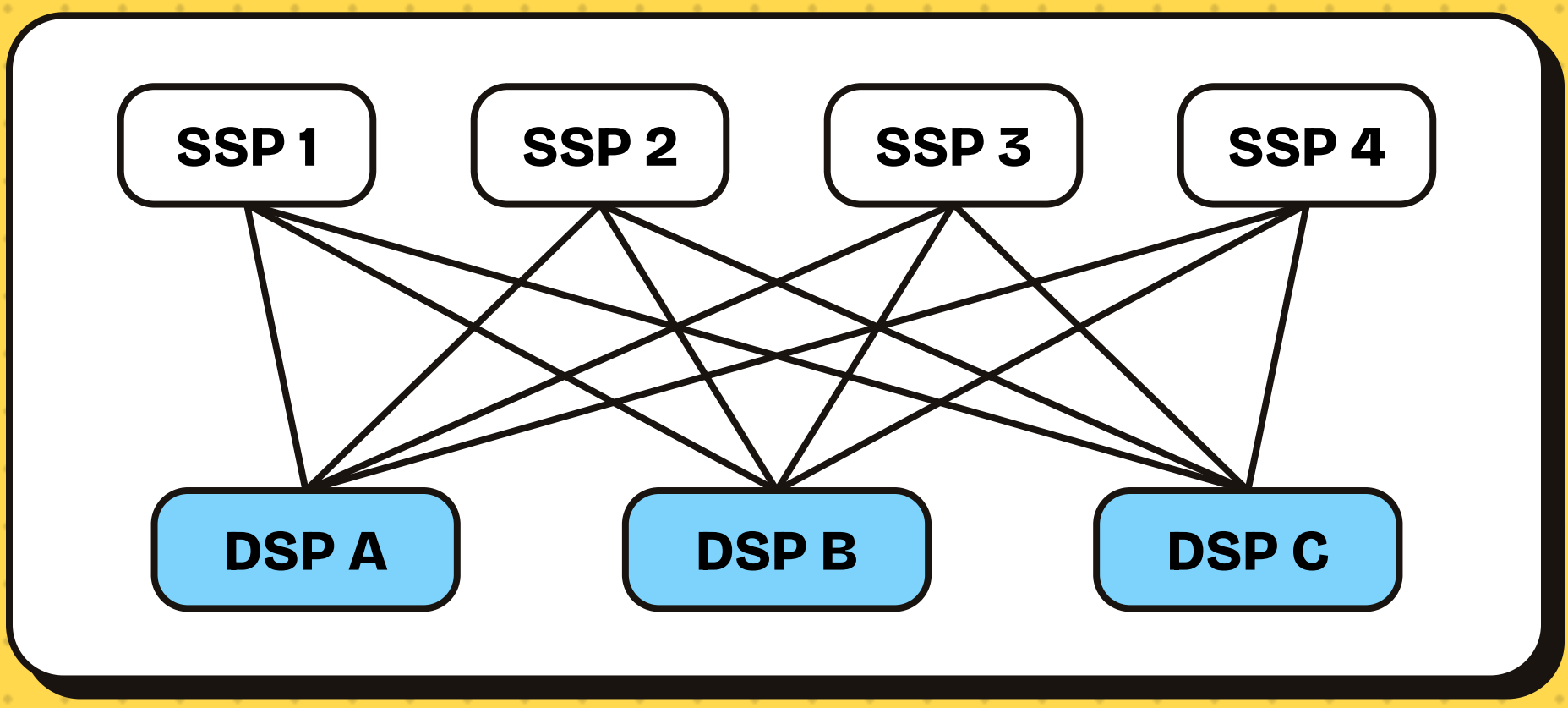
Average top bid as recipes.example adds bidders, one at a time.



Step 2 · Same buyers

Different pipes, same buyers.

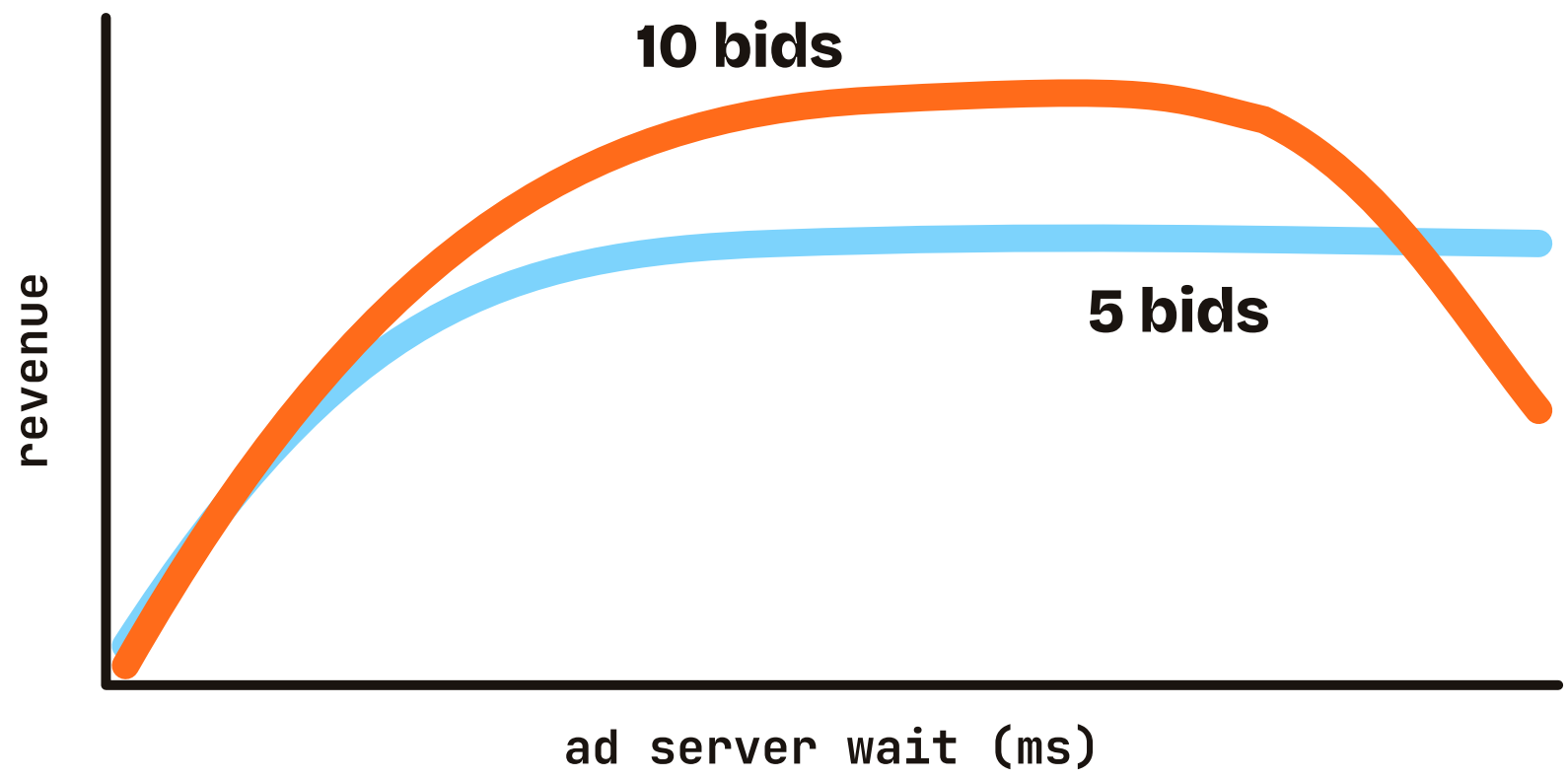
Many SSPs reach the same DSPs. A later bidder often brings buyers you already have.



Step 3 · More waiting

Every bidder adds a request, and more waiting.

PREBID.ORG TESTS · OLDER DATA



Five bids: revenue plateaued. Wait too long, and revenue drops.

Your check today

Before you add a bidder:

- [x] Rank bidders by the revenue only they bring
- [x] Test removing the weakest with a holdout
- [x] Then add another, one at a time

Recap

Why more bidders stop paying:

1 Gains shrink

2 Same buyers

3 More waiting

NEXT · EP 10

Header bidding timeouts

Watch the 60-second video at
blog.rediads.com/learn