Header Bidding 101

HENRY CRUM, ASAF HOCHMAN

2016

AGENDA

1. **WHAT'S HEADER BIDDING**
   Asaf

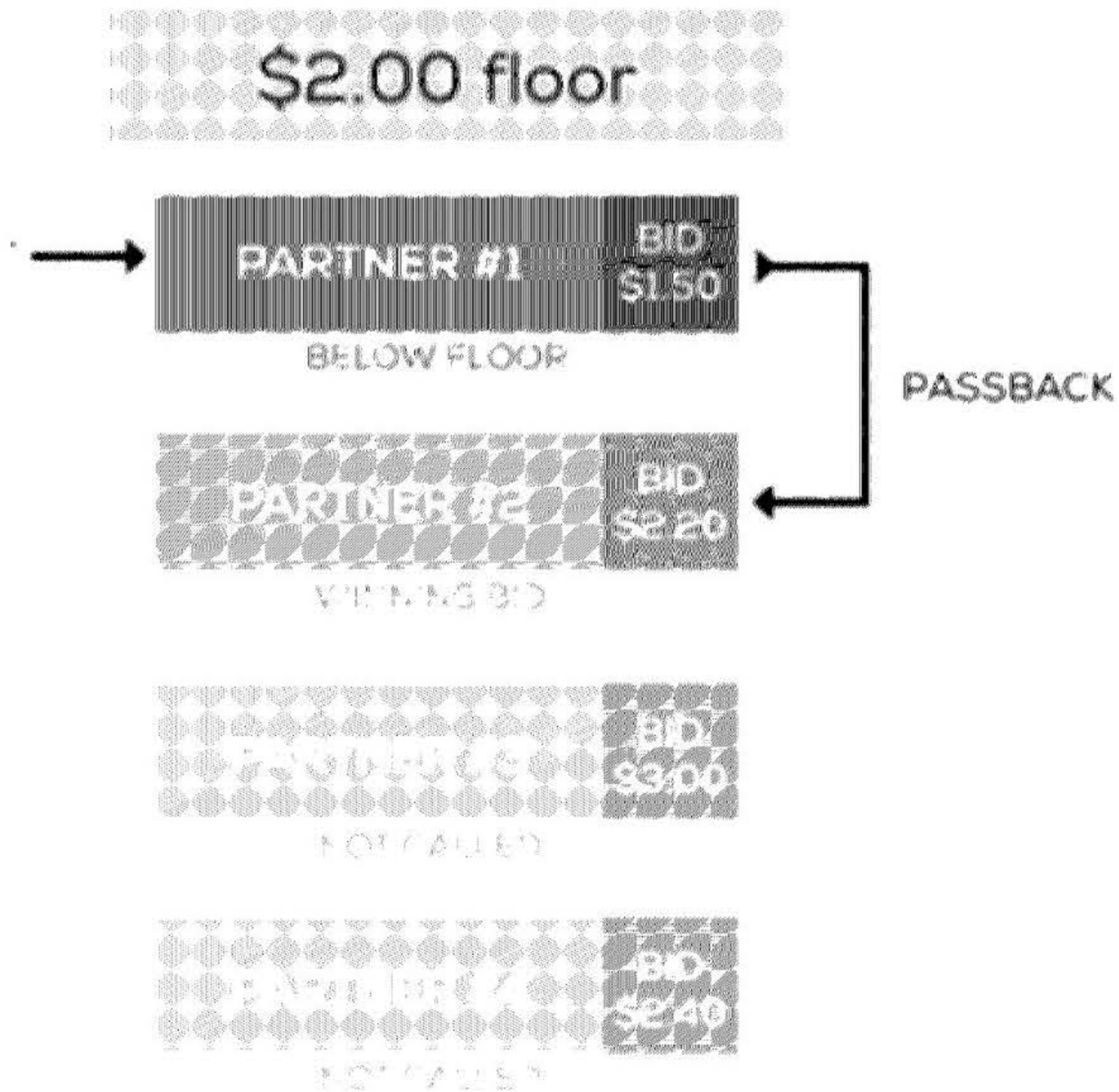2. **WHAT'S OUR OFFERING**
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3. **HOW TO SELL**
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4. **HOW TO TROUBLESHOOT**
   Henry

What's Header Bidding anyway?

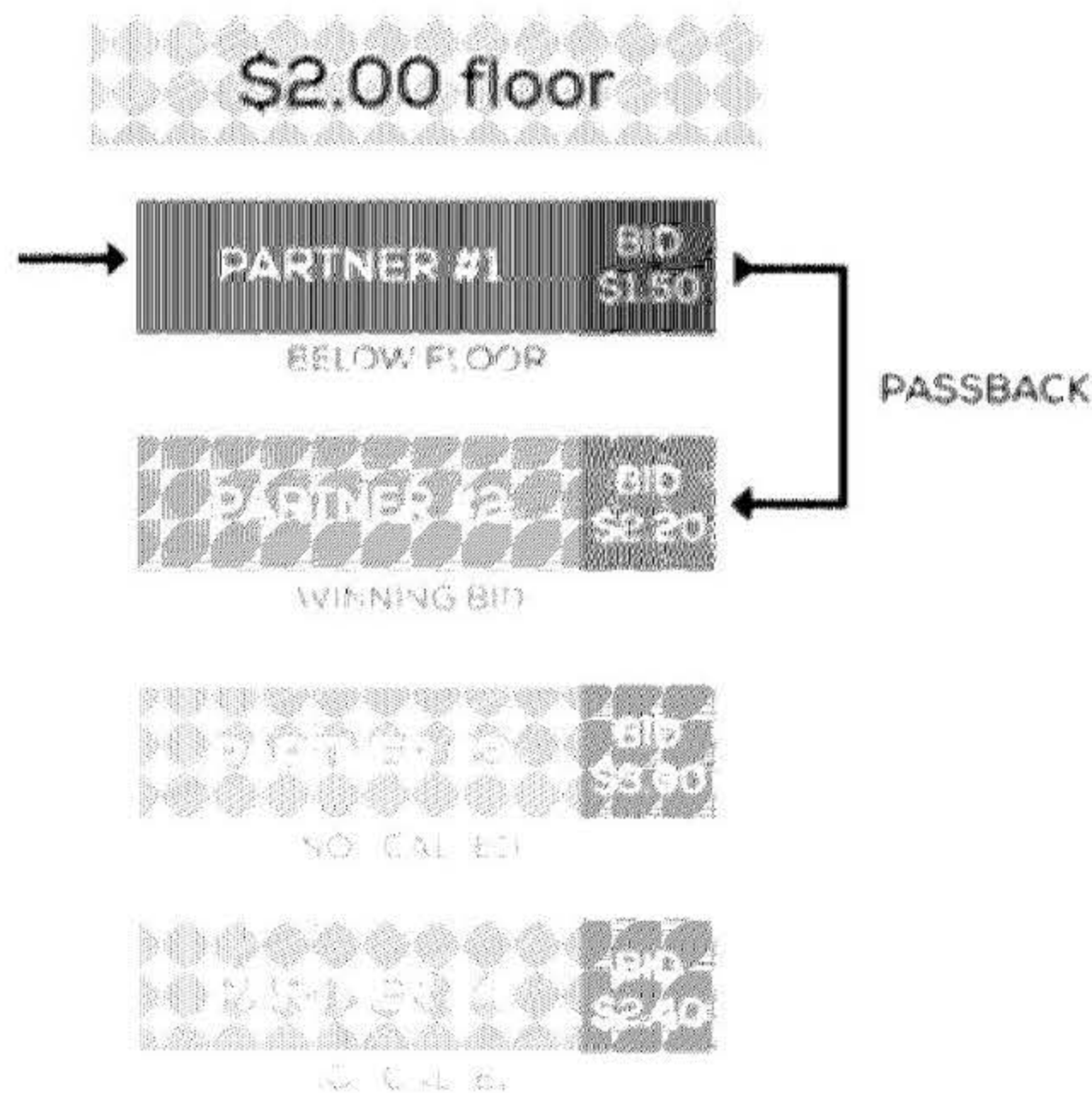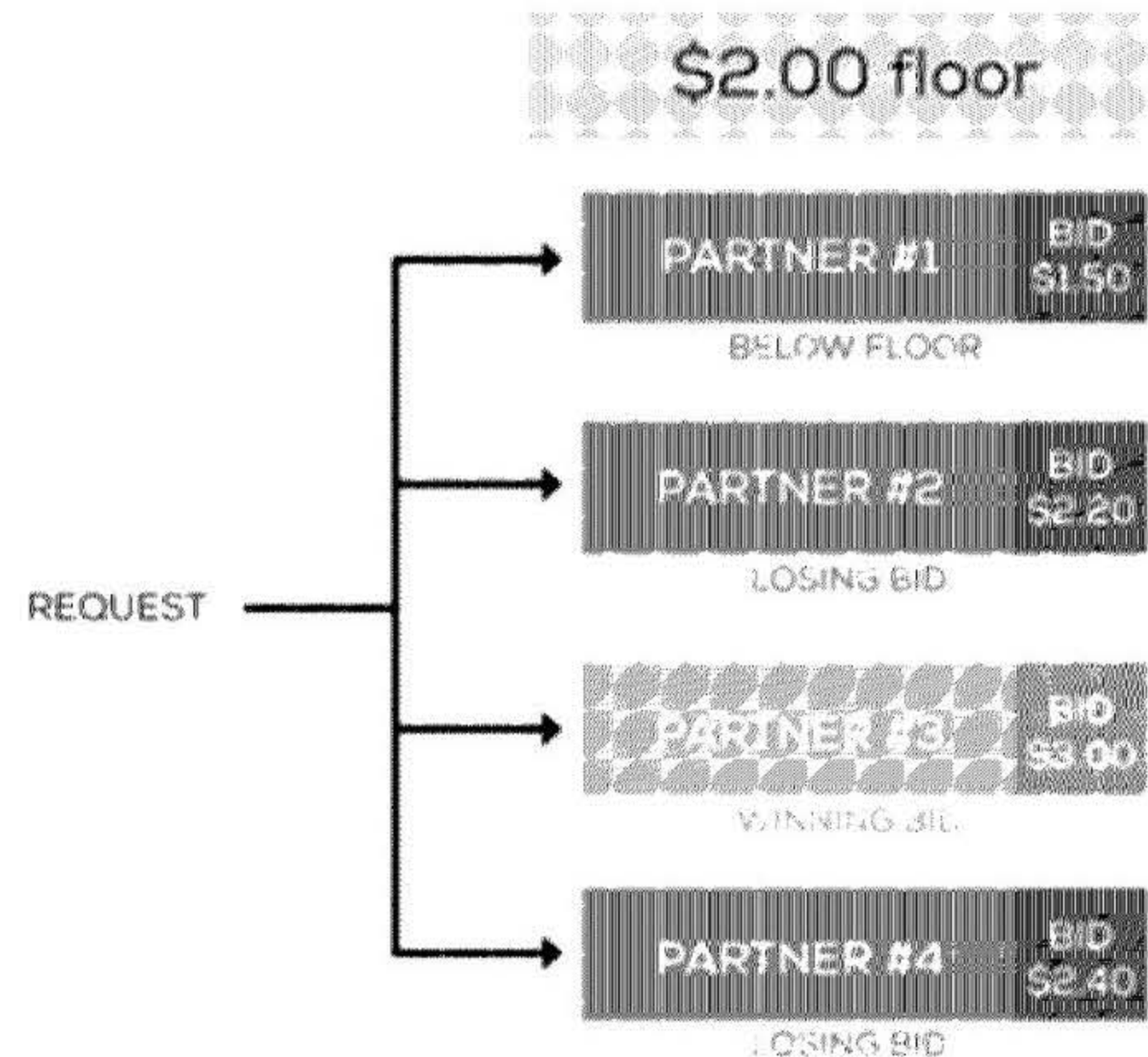# e ubiquitous DFP waterfall model is broken

- **Not maximizing reven**
- **Not really "real-time"**
- **Linear**
- **Non-transparent / Goo**
- **Cumbersome**

blishers have revolted against DFP/Google with ader Bidding

Waterfall

$2.00 floor

PARTNER #1 — BID $1.50
BELOW FLOOR

PASSBACK

PARTNER #2 — BID $2.20
WINNING BID

PARTNER #3 — BID $3.00
NO CALL BID

PARTNER #4 — BID $2.40
NO CALL BID

Header Bidding

$2.00 floor

REQUEST

PARTNER #1 — BID $1.50
BELOW FLOOR

PARTNER #2 — BID $2.20
LOSING BID

PARTNER #3 — BID $3.00
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- Publisher sets tim demand sources t

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- **Intel** – Understand what is the real value of inventory, order
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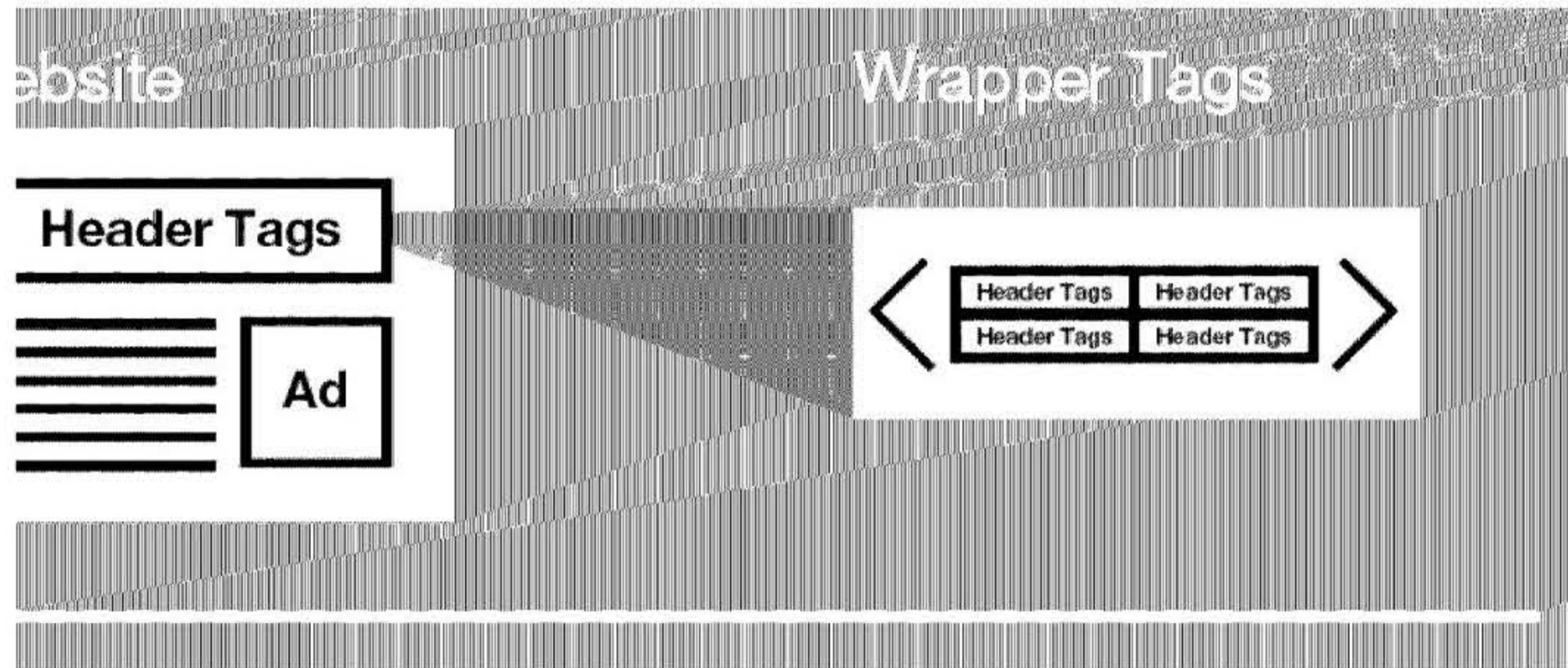
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Leading wrappers:
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- **Index Exchange**
- PubFood (open-source)
- Technorati
- Monetize More
- Sortable
- Pubmatic
- Rubicon

eryone wants to bid…

SSP/Exchanges	Native	Retargeting	Ad networks
appnexus	triplelift	criteo	audience network by Facebook
INDEX EXCHANGE	sharethrough	A9	
rubicon PROJECT	NATIVO		
OpenX	YieldMo		
PubMatic	YAHOO! GEMINI		
sovrn			
Aol.			
sonobi			

9

dience Network is almost the only direct-to-advertise annel

Retargeting

audience
network
by Facebook

Native

SSP/Exchan ges

Low   **Demand volume**   High

nique

and e

eneri

hat's Google doing?

Dynamic Allocation	Enhanced Dynamic Allocation	Exchange Biddi (beta)
X/Adsense can outbid any non-guaranteed impression	AdX/Adsense can outbid any guaranteed & non-guaranteed impression	Multiple demand sources can outbid guaranteed & nor guaranteed impress
		Beta bidders: Rubicon, Ind Beta pubs:About, Hearst, Mer Zillow

...aller bidders get a fair chance...

Volatile CPM / fill-rate

Often Low CPM

Lower in waterfall

Lower quality visitors

...ower ...PM
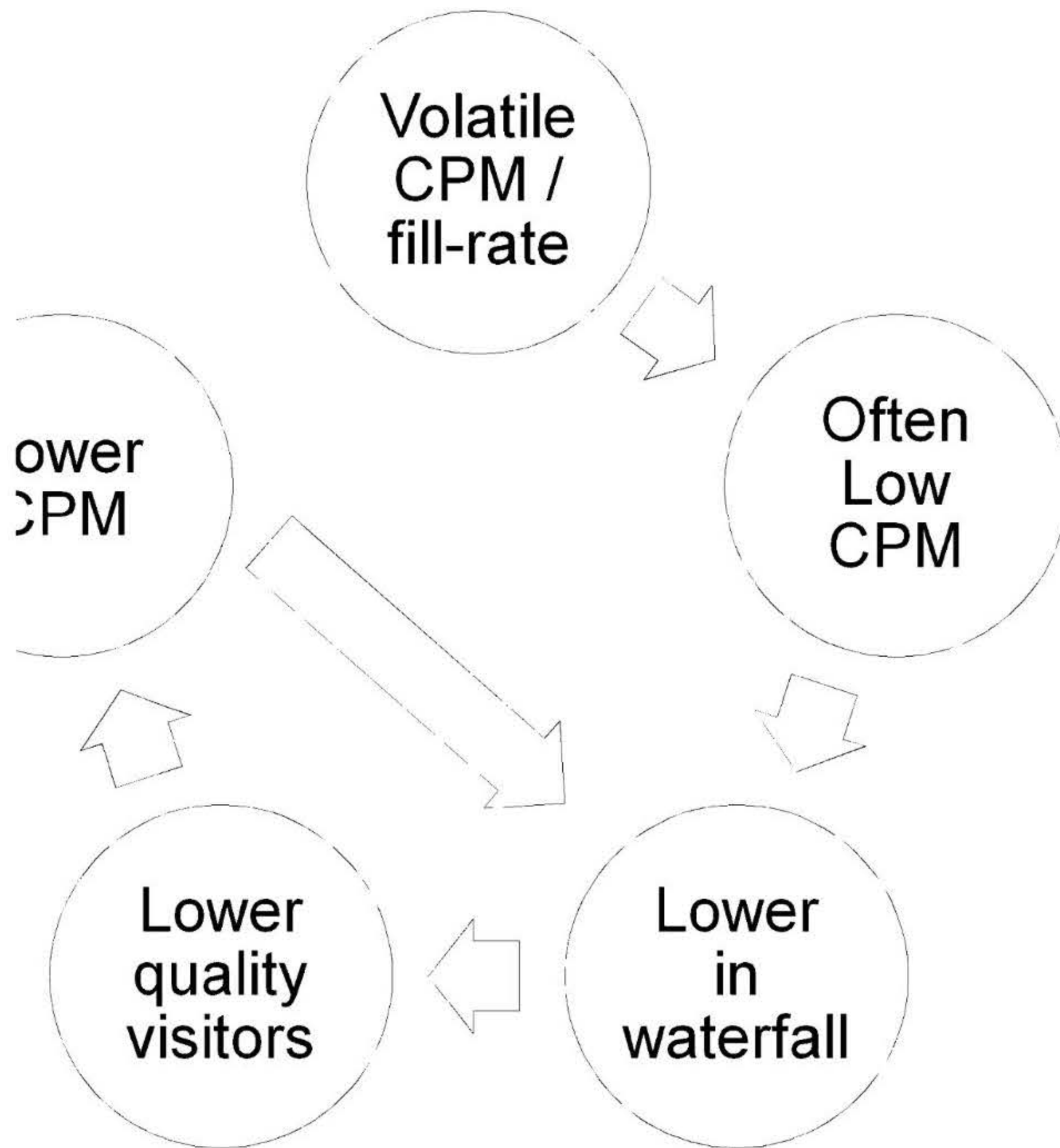
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Working mostly with **Index** (managed) or **Prebid** (open-source)

A good **win-rate** for a bidder is ~7-10%

AdX takes 50%-60% of inventory

Latency time varies - 300ms-800ms

Header bidding adoption among US publishers

By mid-2017 all NA publishers are likely to fully adopt Header Bidding

Not using Header Bidding 30%

Using Header Bidding 70%
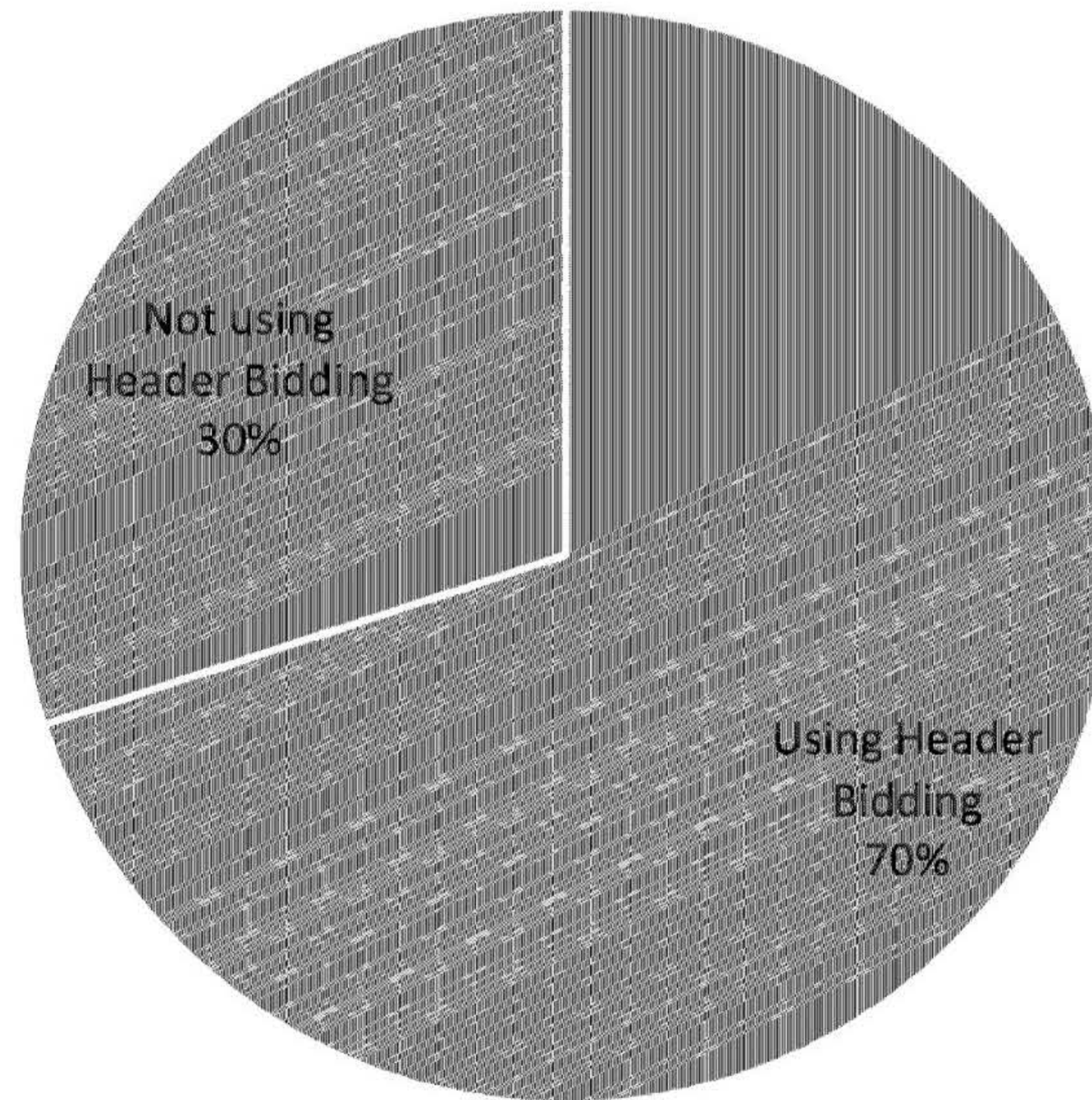
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formats

Current	Nov'16	Q2'17	Q2'17
00x250 (no 320x50)	Native	Video	App

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˙appers

Current

Integration with:

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Prebid.js

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Q4-Q1

More to come…

Monetize More, Sortable, Pubmatic, Rubicon, PubFood

We need your feedback!

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20 publishers LIVE

20 publishers INTEGRATING \ SIGNED ADDENDUM

Daily revenue: **$26k**

Average win-rate: **10%**

Average viewable win-rate: **7%**

Q4 Goals

- **60** publishers
- **$250K**/day
- Viewable win-rate: **5%+**

How do we sell it?

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Born-offline/online managed accounts

Live with Audience Network

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Willing to participate in joint PR / case study in the future

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What we want the publisher to know
- Wrapper support
- Ad formats
- Viewability
- Reporting
- Closed beta expectations

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- Addendum
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Thank you

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LinkedParentIDs :

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ManualLinkedAttachmentIDs :

Link Comments :

DateCreated :   3/30/2016 4:34 PM

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To :

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Custodian :   Jakubowski, Dave

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Subject :

FileName :   HB 101.pptx

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Waterfall

Header Bidding

- Multiple demand sources are called before the ad server

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Publisher benefits

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Everyone wants to bid…

SSP/Exchanges

appnexus
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Native

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YAHOO! GEMINI

Retargeting

criteo
A9

Ad networks

audience network
by Facebook

9

Smaller bidders get a fair chance…

Diply

"With its low fill-rates, TripleLift just didn't perform before **header bidding**. Ever since its revenue jumped 3X"

Gary Manning
CEO
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In a world of header bidding…

Fill-rate ⟶ Win-rate

Criteo has low fill-rates

What do we hear from the market?

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Header bidding adoption among US publishers

Not using
Header Bidding
30%

Using Header
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What's our offering?

AN header bidder is an easy way to access AN demand

Positioning

Audience Network header bidder introduces massive unique demand to the world of header bidding, enabling publishers to better monetize by accessing Facebook's 4M advertisers.

Viewability

AN Tag

AN Header Bidding

Pay per viewable impression

AN only pays for viewable impressions
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Publisher needs to reconcile revenue

Discounted bid

AN bid is discounted based on publisher viewability
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AN pays for 100% impressions it wins

For example, if our bid is 5$, and the publisher viewability is 70%, than we'll bid $3.5

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Wrappers

Current

Q4-Q1

Integration with:

Prebid.js

More to come…

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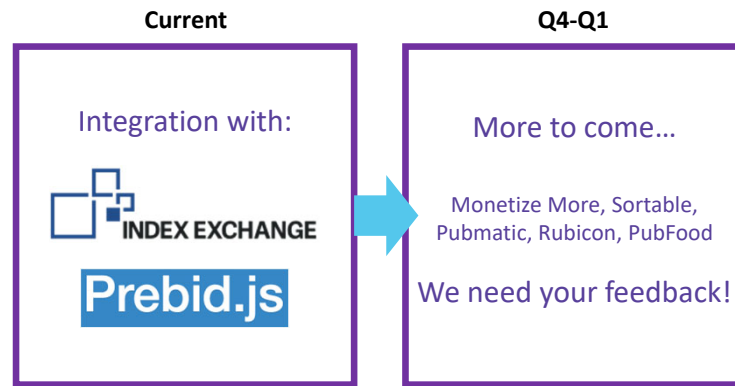
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Where are we currently?

Q4 Goals

- **20** publishers LIVE

- **20** publishers INTEGRATING \ SIGNED ADDENDUM

- Daily revenue: **$26k**

- Average win-rate: **10%**

- Average viewable win-rate: **7%**

- **60** publishers
- **$250K**/day
- Viewable win-rate: **5%+**

How do we sell it?

Ideal closed beta candidate

- Born-offline/online managed accounts

- Live with Audience Network

- Integrated **Index Exchange wrapper** or **PreBid wrapper**

- Has at least 2.5M ad impressions/day running through its Header Bidding wrapper

- Willing to participate in joint PR / case study in the future

Closed beta Process

Intro call

What we want to learn from the publisher	What we want the publisher to know	Next steps

- When did they start HB?
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- What has been impact?
- Which wrapper and bidders?
- What is success?

- Wrapper support
- Ad formats
- Viewability
- Reporting
- Closed beta expectations

- Addendum
- SA intro

26

Addendum

- Avoid recording losing bids
- Delete winning bid after 90 days
- 3rd party tracking such as DFP is ok

Next steps

- Move forward with the 40 publishers that are –
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- Continue conversations with other publishers that use **Index** or **Prebid** :
  - Have intro calls
  - Get addendums signed
  - **In November** - intro to SA to start integration

- Add the the beta pipeline clients that use **other HB solutions**

audience
network

by Facebook

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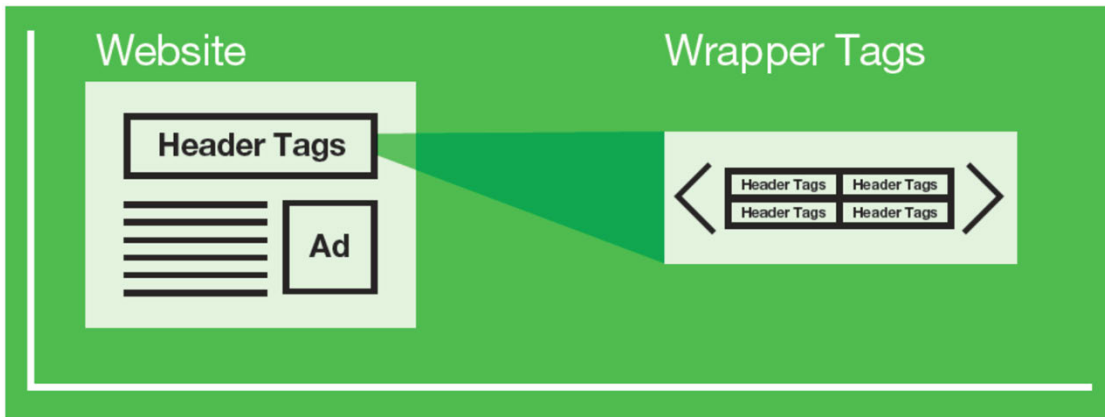
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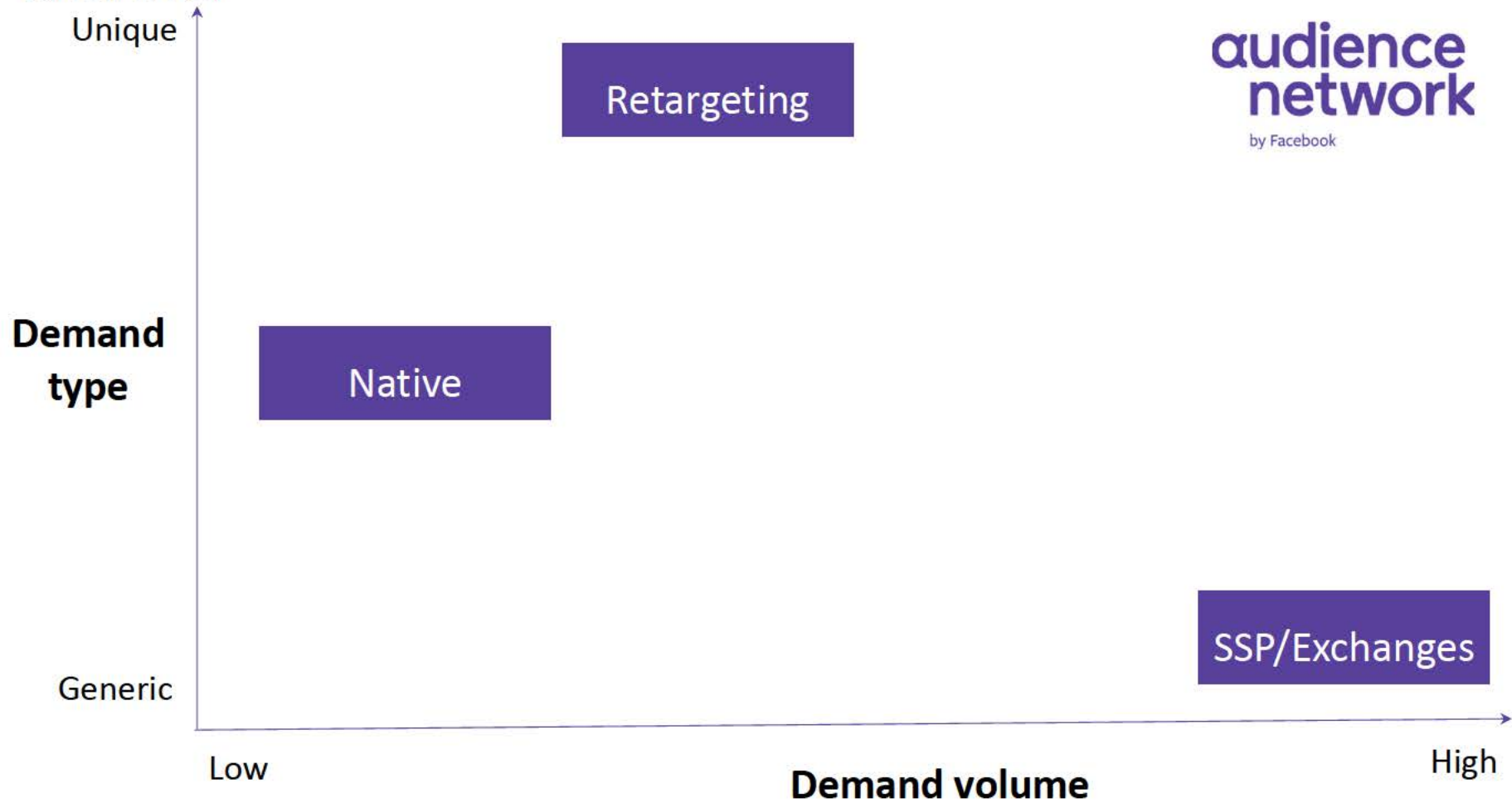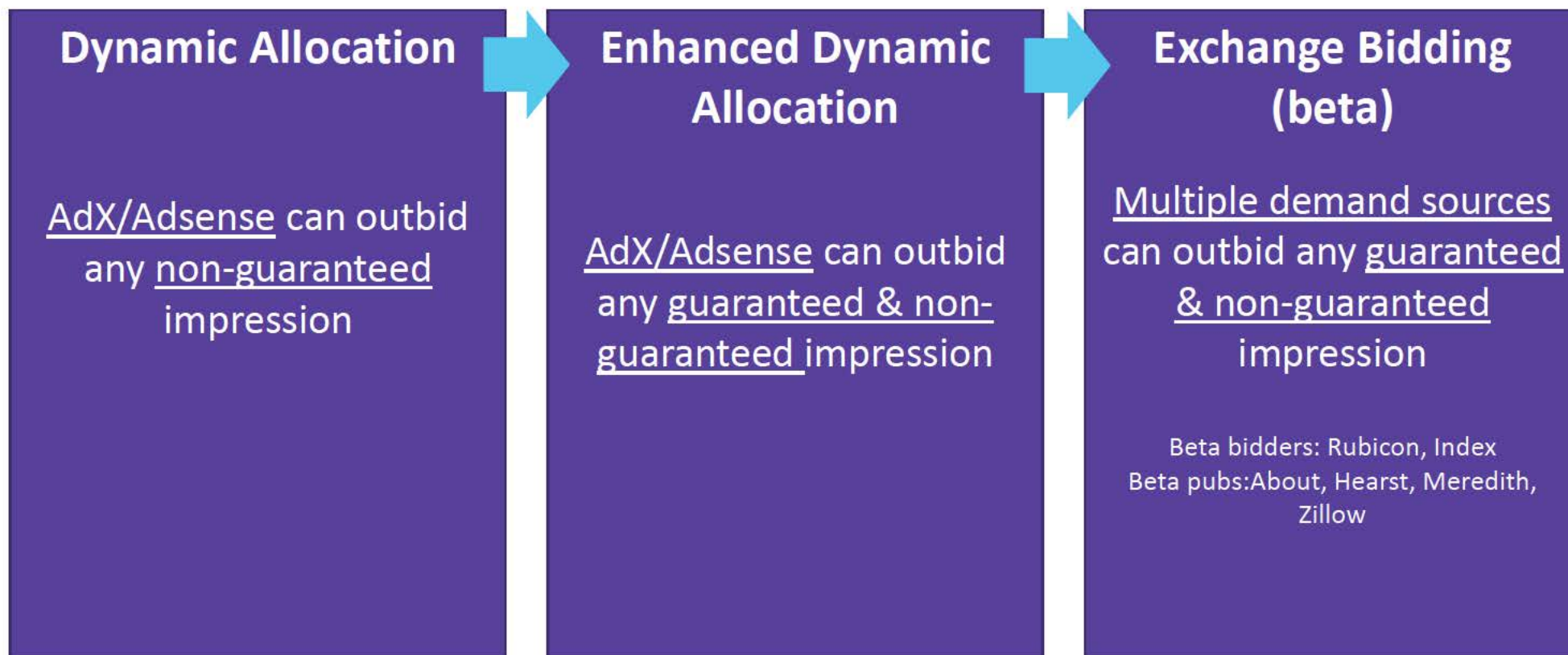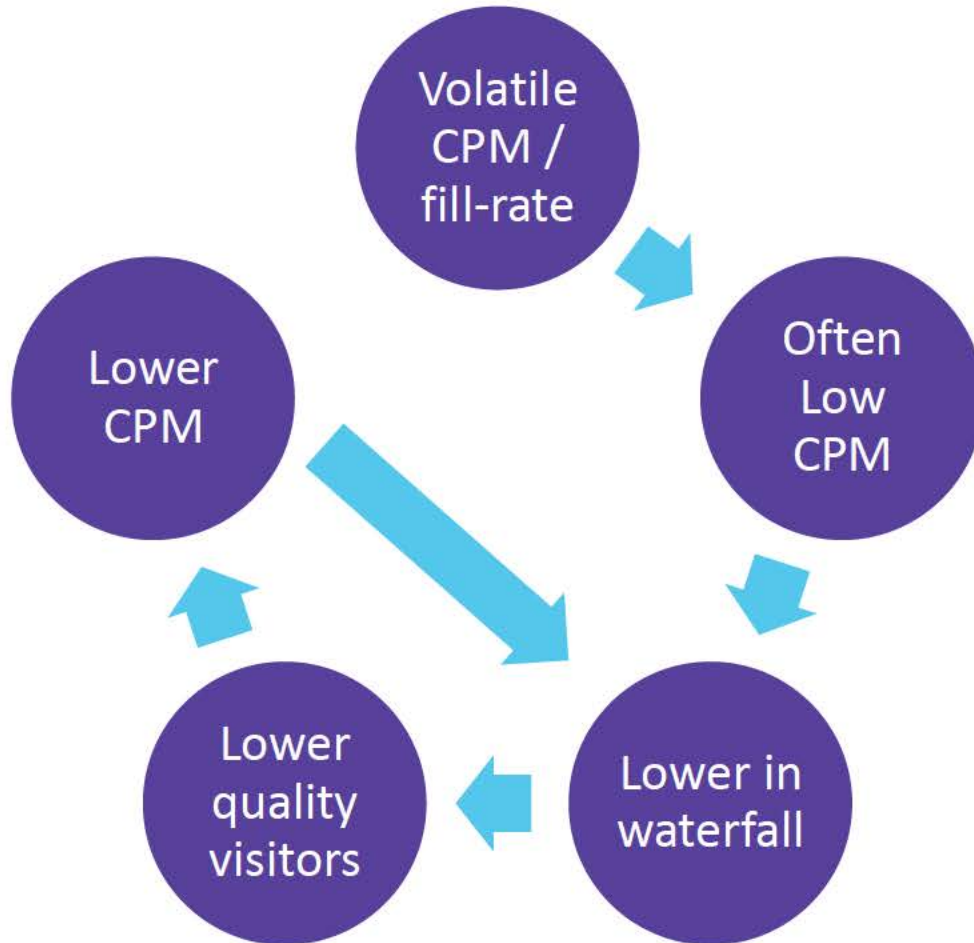
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AdX/Adsense can outbid any non-guaranteed impression	AdX/Adsense can outbid any guaranteed & non-guaranteed impression	Multiple demand sources can outbid any guaranteed & non-guaranteed impression Beta bidders: Rubicon, Index Beta pubs:About, Hearst, Meredith, Zillow

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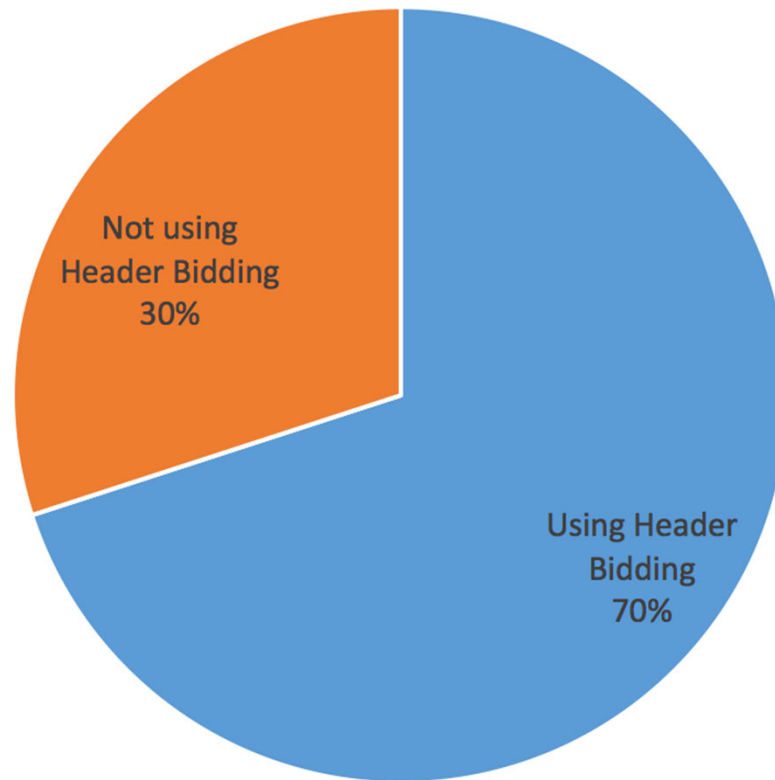
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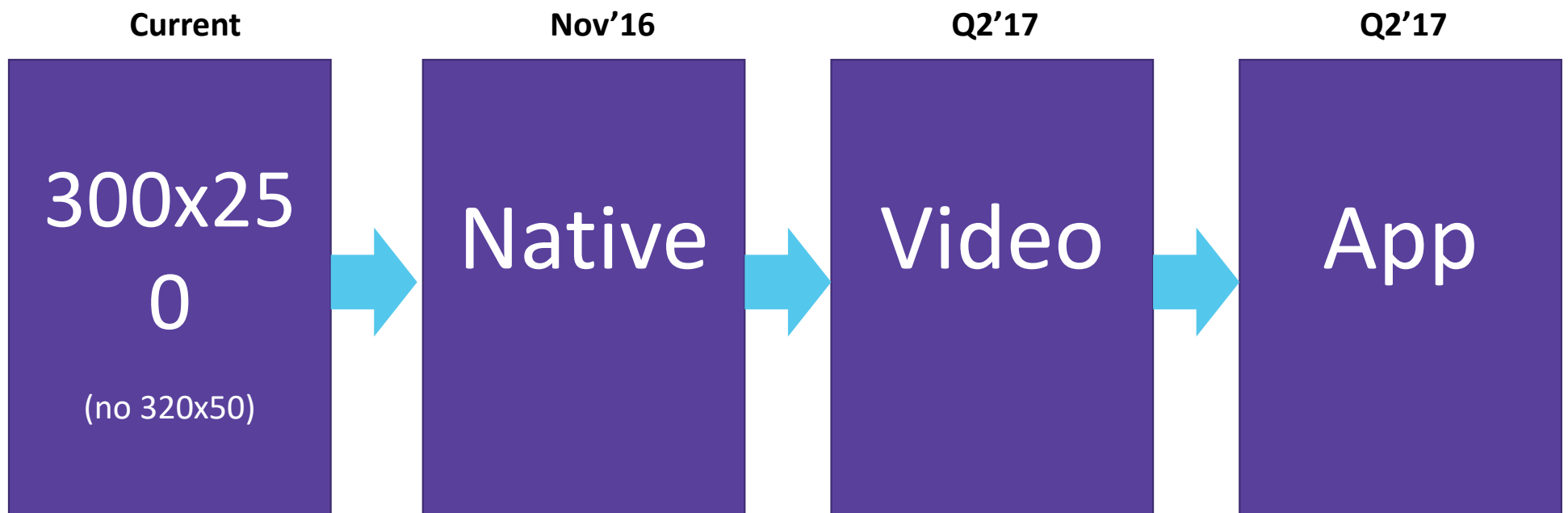
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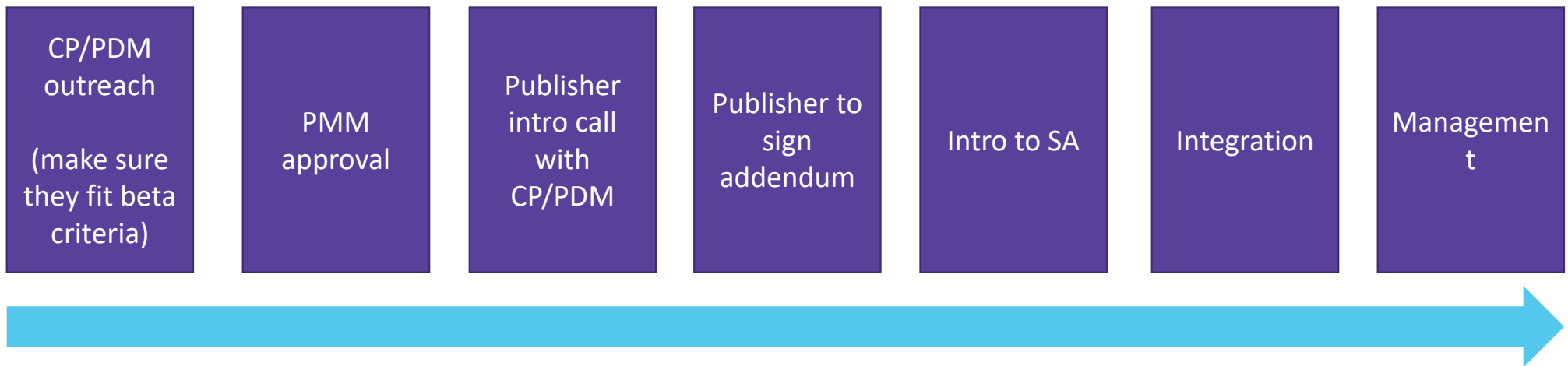- **60** publishers

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Closed beta Process

| CP/PDM outreach (make sure they fit beta criteria) | PMM approval | Publisher intro call with CP/PDM | Publisher to sign addendum | Intro to SA | Integration | Management |

Intro call

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