Online Advertising

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So what about online ads?

- Types of online ads
- The technology behind online ads
- How they track views or clicks
- How you can make money off ads
Types of online advertisements

Lots of different types of ads!

- Pop-ups
- Normal banner ads
- Text ads
- Floating ads
- Video ads
- Trick banners
- Interstitial ads
- Wallpaper ads
Types of online advertisements

Pop-ups!

Pretty standard banner

Types of online advertisements

Text ads

Floating ads

Pic Source: sugarbunnie-ads.blogspot.com
Types of online advertisements

Video ads

Trick ads

Pic source: blog.chron.com
Types of online advertisements

**Interstitial Ads**

See how our security solutions beat the competition.

**Wallpaper ads**

[Image of a wallpaper ad for War Angels]
Types of online advertisements

Lots of different types of ads!

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Technology behind online ads

- Advertising Networks
  - Sell space for online ads
    - Websites
    - RSS feeds
    - Blogs
    - IM applications
    - Adware
    - E-mails
  - Central server
  - Search engines, media companies, technology vendors
Ad Networks

- Vertical Networks
- Blind Networks
- Targeted Networks
Central Ad Server

- A computer or web server that places ads on websites
- Software for publishers and advertisers
- Run locally or remotely
  - Locally: publisher runs for his domain(s)
  - Remotely: domains owned by multiple publishers
Tracking

- Click-Through Rate (CTR)
- Cost Per Action (CPA)
- Pay Per Click (PPC)
- Cost Per Impression (CPI)
Click-Through Rate (CTR)

# of clicks / impressions

- Defined as a percentage
- 1990s – average CTR was 3%
- Today – average CTR about 0.1%-0.3%
Cost Per Action (CPA)

- Pay Per Action (PPA)
- Cost Per Acquisition (CPA)
- Advertiser pays for a specified action
  - A purchase
  - Form submission

\[
\text{Ad Campaign Cost} / [\text{impressions} \times \text{CTR} \times \text{customers}]
\]
Pay Per Click (PPC)

- Cost Per Click
- Get paid for each click
- Two ways to determine PPC
  - Flat-rate
  - Bid-based
Cost Per Impression (CPI)

- Cost Per Mile (CPM)
- Get paid for every x number of views
- A preferred method
Making Money off Online Ads

- Linkshare
- Google Adsense
- Commission Junction
Google Adsense

- Pay Per Click
- Cost Per Impression
- Search technology
- Google earns billions of $ through Adsense
Google Adsense

• You put the JavaScript code into your site
• This code gets content from Google's servers whenever the page is loaded
• Earn money!!!
• Protection against fraud
Online Advertising

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- Questions? Comments? Just want to talk?
- Feel free to email me!