

A Brief Introduction to Real Time Bidding Display Advertising

Back in the early days of the internet, delivering advertisements to website visitors (Display Advertising) was achieved manually, by booking ads on specific websites based on the target audience profile. That changed dramatically in 2013, when Real Time Bidding first appeared. Today, it is the fastest growing segment of digital advertising. So what is Real Time Bidding and why was it such a game changer?

An Automated Bidding Arena for Online Advertisers

Real Time Bidding (RTB) allows online advertisers to buy ad space matching their targeting criteria by bidding for it in a real-time auction. The automated auction takes several milliseconds to complete, rendering the process utterly transparent to the end-user, who ends up seeing the highest bidder's ad.

While the algorithms performing RTB Display Advertising are extremely complicated, the process itself is quite straight forward. When a webpage running RTB is loaded by a user, a bid request including information about the user and webpage is sent to an ad exchange (a digital marketplace for buying and selling ads, run by companies such as AppNexus, Microsoft or Rubicon Project, to name a few). The ad exchange submits the request to multiple advertisers, who now bid in real-time to have their ad placed. The highest bidder gets their ad displayed. This automatic process is performed instantaneously and is repeated for each ad slot available on the page.

Enabling Individually Tailored Ad Campaigns

RTB is more efficient and cost effective than earlier advertising technologies. Automating the process of buying and selling ads eliminates lengthy negotiations and bureaucracy. It allows advertisers to spend their time on developing campaigns rather than sifting through the multitude of potential publishers. Cutting-edge data analysis and artificial intelligence capabilities enable advertisers to identify potential customers dynamically, based on complex targeting profiles.

The technology does pose some risks though, when not managed carefully. It is easier to conduct ad fraud when automating the process of bidding, plus the lack of human consideration may lead to insensitive advertising display (just ask [YouTube, who lost several of its biggest advertisers](#) last year after displaying their ad campaigns on controversial content, including Nazi propaganda).

Enabling the Mobile Advertising Revolution

These days, most individuals own at least one mobile device, encouraging advertisers to allocate huge budgets towards automated mobile advertising. However, RTB is harder to perform on mobile devices, since the technology is based on cookie manipulation and there is no universal standard for cookies on mobile browsers as of yet. Being unable to collect information on the user, apart for their current location, eliminates the advantages of RTB. This is where Ubimo enters the picture.

Ubimo's [Location Intelligence Platform, Polaris](#), allows advertisers to design and carry-out in-depth location and behavior based campaigns, matching real-time situations. It also manages, analyzes and compares customer journeys based on real-world behaviors, while connecting to data located on first and party systems, taking audience targeting to a whole new level.

Polaris enables advertisers to bring their ads to matching audiences based not only on their current location, but also on real-time analysis of that location. Polaris collects and analyzes data on the current weather, nearby establishments and demographical characteristics of the location and much more. To that it adds data on the user's behavior, such as camera use or recently used applications. This allows advertisers to pin-point target audiences at just the perfect time to promote their product or service. Just consider how effective an ad for a new artisanal soup bar will be, when displayed to a thirty something year old, walking on a nearby street in the rain, having browsed food-porn images on Instagram for the past 10 minutes.

To learn more about Polaris, visit our [website](#) or [schedule a demo](#).