



A Brief Guide to Digital Media Advertising Terms

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Public affairs professionals who use digital advertising for advocacy or government relations purposes can sometimes find advertising terms confusing. While far from being an exhaustive list, the terms defined below will help non-marketing professionals understand key terms in the digital advertising industry.

Major Types of Advertising

Social media advertising: When advertisers use ad managers applications on social platforms to secure digital advertisements that appear on the platform. While much of the content on social media is organic and user-generated, companies and associations can create content and pay for it to reach targeted audiences when logged into that platform.

Video advertising:

- o **A pre-roll ad:** A promotional video shown before the content the user has selected. For example, many news outlets show an ad before you can watch the online news clip. Video advertisements can be created solely for online distribution or they can be television ads shortened for online consumption.
- o **Non-skippable:** A type of promotional video that cannot be skipped while it plays. This type of ad can be more expensive because users must watch the ad before they can see desired video content.

Traditional online ads:

- o **Display advertising:** A common graphical advertisement that can be an image or Flash content that is placed on a website. These ads come in many different shape and sizes and can appear on many different websites when using an advertising network.
- o **Banner advertising:** A rectangular graphic display ad that is featured across the top or bottom of a webpage.

SEM: Search Engine Marketing. The term describes the act of purchasing ads via search engine based on key terms or phrases particular to your organization, policy issue or company. The advertisement shows up in the search engine results pages usually at the top and appropriately marked with the designation “sponsored.” Usually, organizations use a combination of SEM (advertising) and Search Engine Optimization (SEO), which is a web development and communications strategy that improves search results.

Email ads: Advertisements located within an email interface. They are often text-based ads that appear at the top of an inbox and can be targeted to a specific group of email users.

Native advertising:

- o **Sponsored content:** A built-in advertisement usually taking the form of an op-ed or new story that is featured on an online news webpage. The advertisement must be clearly marked as “sponsored content” or as an advertisement and the content of the article is controlled by the customer.
- o **Branded journalism:** When an organization partners with a publisher to produce an article or a series of articles on a particular topic of interest to the sponsoring organization. The publisher retains editorial control over the content, but the storytelling is underwritten by the sponsor.

Digital radio ads: Audio, video or graphic advertisements featured on digital radio services, such as Pandora or Spotify. These ads can be targeted to certain radio listeners and usually require the listener to experience the advertisement before he/she can continue listening to the music.

White paper model: Content marketing involving an organization that creates a report, paper or analysis and the subsequent buying of digital advertising promoting this unique piece of content. Normally, users must provide their email address in order to view the white paper or report, which allows the sponsoring organization to collect their email for future use.

Key Performance Indicators (KPIs)

Impressions: The number of times an advertisement has been viewed or seen by users. This is the most basic KPI and usually the most widely reported analytic.

Unique impressions: Page views by different visitors. Ads are often targeted to a specific audience and then shown multiple times to that audience over the course of the ad campaign. On social media advertising platforms, this metric is also sometimes referred to as **reach**.

Clicks or click through rate (CTR): The metric referring to how many users have clicked on an ad and were directed to the landing page.

Conversion rate (CVR) or action rate: The metric that represents the number of users who took the desired action of the ad campaign. For example, a conversion rate could signify how many users signed a policy petition or contacted their member of Congress.

Frequency: The number of times an ad is displayed to the same user during an ad campaign. Over-saturating or your intended audience with ads and not showing them ads often enough can both be harmful to the success of the ad campaign.

Digital Ad Payment Types

CPM-Cost per impression (per thousand): A very common pricing structure, which calculates the cost of the advertisements based on every 1,000 ad impressions to your intended audience.

CPC-Cost per click: The advertiser only pays for each ad click.

CPV-Cost per view: A common method used to price online video ads. Platforms like YouTube can charge customers per digital video watched. Each advertising platform has its own guidelines for how long the video must be watched for before it triggers a view.

CPA-Cost per acquisition: The amount paid when an ad leads to a delivery of some predetermined piece of information from the user, such as an email address. Advertisers only pay for the ad when they acquire a user's unique information related to that of a sale or other call to action.

CPE-Cost per engagement: A cost structure based on whether the content is engaged with rather than an impression based advertising buy. CPE is most common on social media advertising buys and an engagement can be a click, a like or a share.

Fixed costs (takeover placements): A flat fee paid by the advertiser in order to obtain a single price for all of the advertising for a specific time period. For example, *Politico* might have a fixed cost for sponsoring a daily e-newsletter or there might be a fixed cost associated with a buying all the advertisements on their homepage for a specific amount of time (also known as a **"takeover"**).

Targeting and Optimizations

Targeted audience: A specific audience that has been identified as the recipient of the advertising campaign.

Cookies: Used to track users' visits to a particular website. Cookies allow advertisers to target users with particular ads based on their data profile. This method can be effective in delivering ads directly to the targeted audience.

Device IDs: Similar to a cookie, but it can track a user's webpage visits using a unique number associated with a smartphone or similar mobile device. This makes it easier to target users with multiple online devices.

Retargeting: The process of using device IDs, cookies or other methods to deliver ads to users who have recently visited your targeted webpages during an ad campaign. Retargeting helps serve ads to users who have already expressed interest in your organization or policy issues.

Geofencing or geotargeting: Serving ads to users who are in a specific geographic area. For example, many organizations serve ads on Capitol Hill during important legislative sessions to ensure lawmakers and policy staffers see the digital ads while at work.

Behavioral targeting: Delivering ads to a targeted audience based on their previous online behavior, including websites visited or online searches.

Demographic targeting: The ability to deliver ads to an audience based on demographic characteristics (e.g., gender, race, education, income, political preference, age).

Look-alike targeting: The ability of advertisers to target additional people who share characteristics with an already-defined audience or advocate base. Many social media platforms have this feature so that an organization can serve ads to people similar to their existing online followers.

Contextual targeting: Serving ads based on the content displayed on that particular webpage. For example, an ad for a pro-environment advocacy petition could show up on online news stories about environmental disasters if contextual targeting was effectively used.

If you have suggestions on other terms to include, or any questions, contact Nick DeSarno. (<mailto:ndesarno@pac.org>)



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