

Various Questions / Answers

- [Does AdBlock affect DSP campaigns?](#)
- [What is an Ad Exchange](#)
- [What is Real-Time Bidding \(RTB\)](#)

Does AdBlock affect DSP campaigns?

In short, AdBlock doesn't affect Eskimi DSP campaigns and we are not spending any amount of money on users that are using different AdBlock technologies.

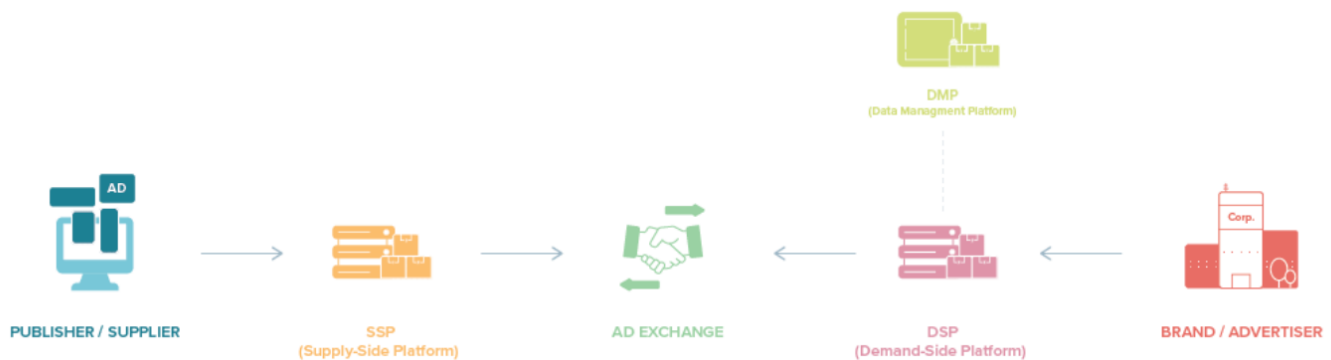
How does AdBlock work?

Almost every AdBlock is working by URL blocking technology. This means that AdBlock is going to be blocking our domain or any SSP domain that publisher is using. That means it is not possible for us or any other DSP, Exchange or SSP to see those users and target them. Therefore, since everything is being blocked by AdBlock, we are not able to reach any of those users and no campaign budget is being wasted on such audiences.

What is an Ad Exchange

Ad Exchange is digital marketplace where publishers and advertisers come together to trade digital ad inventory. The Ad Exchange is an auction mediation mechanism that does not serve either the buyer or the seller side, it is an autonomous platform that facilitates programmatic ad buying.

The Ad Exchange sits in the middle of the programmatic ecosystem and is plugged into a Demand-Side Platform (DSP) on the advertiser's side and a Supply-Side Platform (SSP) on the publisher's side.



How does Ad Exchange Work?

- A publisher makes its inventory available on the Ad Exchange through SSP. The publisher provides full details on the inventory such as page location, URL, audience, topics and so forth.
- When the user enters the publisher's website or mobile app, an ad impression automatically appears on the auction. The data about the user is collected, sent to the publisher's server and then transferred to the Ad Exchange.
- Then, the Ad Exchange sends a bid request to DSPs and Ad Networks. Each DSP would inspect the bid request and all information related to it (demographics, user ID, geolocation, frequency capping and other targeting options). After inspection, the platform would decide whether the impression is of interest to the advertiser. If so, DSP would send a reply to the Ad Exchange with a maximum bid amount.
- The Ad Exchange reviews advertisers who bid on the impression. The Ad Exchange eliminates the advertisers who do not meet the publisher's requirements.
- Having gathered all data, Ad Exchange analyzes bids and sells the impression to the highest bidder.
- The winning advertising creative appears on the publisher website in front of the user. The process does not interfere with user experience and does not decrease page loading speed.

So, Ad Exchanges allow publishers to get the best price for their ad space and advertisers to reach out target audience.

What is Real-Time Bidding (RTB)

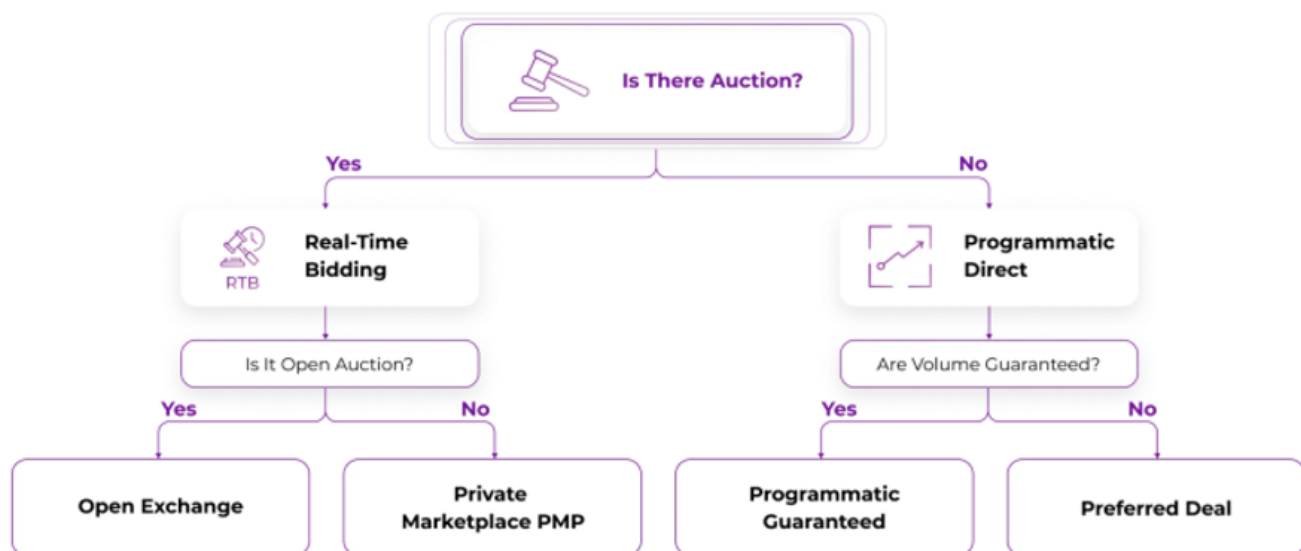
RTB is a way of buying and selling ads through real-time auctions, meaning transactions are made in the time it takes to load a webpage.

RTB works like this:

As a visitor enters a website, a request is sent to an ad-exchange with information on the website along with visitor data. This information is then matched against available advertisers and a real-time auction takes place between the advertisers that match the criteria.

Real-Time Bidding allows for better and quicker targeting, enabling ads to be bought and sold on a per-case basis, meaning only visitors who are in your target audiences will be subjected to the ad.

Even though most of programmatic buying goes through Real-Time Bidding, there are other ways of programmatic advertising. Programmatic can still automate the targeting and other related processes but the buying and selling of the inventory can be done directly. In other words, advertisers purchase impressions from publishers via programmatic direct deals and don't participate in RTB auctions.



Real-Time Bidding is just one part of the programmatic advertising ecosystem. It's a way of auctioning out ad space on a case-by-case basis rather than a carpet-bombing approach where everybody sees the same ad.

First-Price and Second-Price Auctions

It is also important to know that there are 2 main types of auctioning out ad space: First-Price and Second-Price Auctions.

Their definition is as follows:

First-Price Auction – Digital buying model where if advertiser's bid wins, the advertiser pays exactly what he bids.

Second-Price Auction – Digital buying model where if advertiser's bid wins, the advertiser pays \$0.01 above the second highest bid in the auction.