WHAT IS REAL-TIME BIDDING?

Real-time bidding is the **buying & selling** of online ad impressions through **real-time auctions**.

Auctions are facilitated by ad exchanges or supply-side platforms.

IN OTHER WORDS...
You can compare real-time bidding to the stock market, where an entire inventory of ad space available to buy is similar to the stocks available.

BEFORE
Traditionally, advertisers had to go through multiple vendors to purchase ad space, resulting in a bigger time commitment.

NOW
Advertisers are able to purchase ad space within 200 milliseconds, automatically through self-serve platforms.

BUT HOW DOES IT WORK?

1. **Advertisers place bid parameters**
   - Min and max bid, target audience, and how the ad should be placed

2. **Bids are packaged up and sent through a DSP to different publishers**
   - Demand-side-platform

3. **Publishers decide if they have a display match**

4. **If matched, the auction for placement begins**

5. **Once a bid is finalized, the publisher has the option to accept the ad**

6. **Ad is accepted and placed; impression is won**