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5 Header Bidding Health Metrics Every Publisher Should Watch

Header bidding has become an essential component of most publishers' ad monetisation strategy, allowing for better inventory fill rates and higher revenue. But just because header bidding is driving more spend to publishers doesn't mean it can't be optimised further.

This white paper shares 5 metrics publishers should keep an eye on when evaluating the health of their header setup for maximum yield.

Header Bidding

Health Metrics

When looking to create an optimal header bidding setup, publishers should track as many health metrics as they can. Improving just one of them can increase revenue considerably.

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#1 Page Load Speed

(time it takes to fully display the content on a page)

Header integrations can be client-side or server-side. Client-side header bidding sees all auction-related activity take place on the user's browser, while in server-side bidding, this happens on a standalone 'auction' server. As a general rule, client-side integrations have higher user match rates (resulting in higher bid rates & CPMs), but slow down page loads. Server-side reduces page latency, but at the expense of user matches.

Understanding which demand partners should be client-side vs server-side to maximise revenue without hurting user experience is a fine balance.
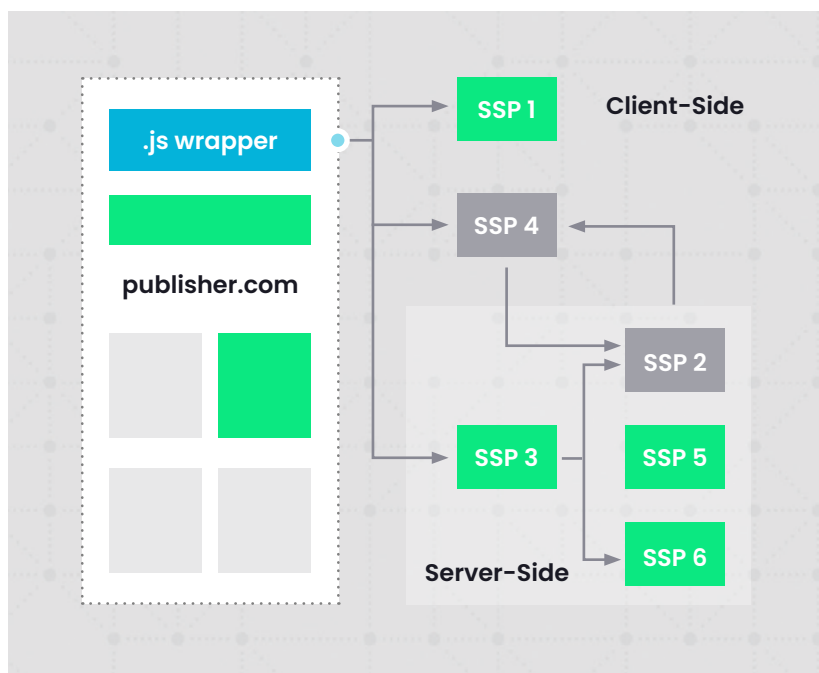
Publishers should create an A/B testing framework that sequentially moves client-side partners to server-side to understand the impact, if any, to revenue. Any demand partner that can be moved server-side with no revenue impact should be. Publishers should expand these tests over time to understand geo and format-specific nuances, too. While it may make sense to have one demand partner client-side in the US, it might make more sense to have them server-side in APAC.

By measuring for revenue, page performance, and bidder timeouts on test vs control, publishers can find the optimal balance that maximises revenue, while managing load times and user experience.
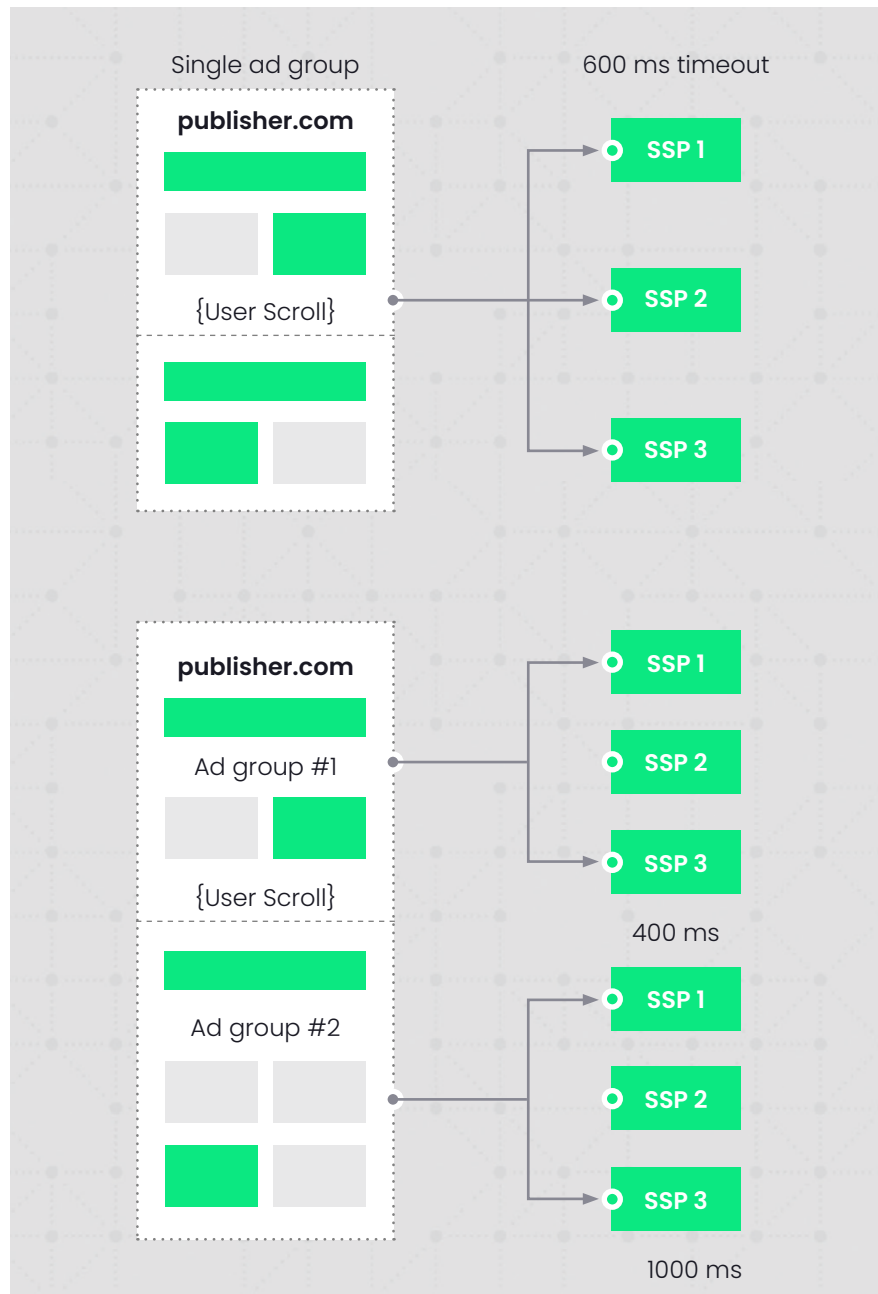
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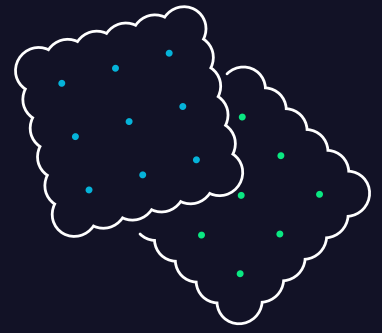When a bidder fails to return a bid within the timeout limit specified by the publisher, the bid is said to have 'timed out'. Timeout rate indicates how often a bidder times out during an auction. Viewed alongside the bid rate and win rate, timeout rate can help publishers understand the opportunity cost of retaining a particular bidder. Bidders with a consistently high timeout rate harm the site's user experience and the publisher's revenue-generating ability.

Historically, when sending bid requests to demand partners, publishers would group all ads on a page into a single request, with one universal timeout. If the bidder timed out, the publisher would lose all potential revenue from that buyer across all ad slots, even ones lower on the page.

A better way for publishers to manage timeout rates is to group ads based on page position (e.g: above the fold, below the fold) and send those ad groups in separate requests to demand partners, with different timeout windows. Ads at the top of the page should have a shorter time-out window to ensure a good experience for page visitors, while ads below the fold can have a longer timeout window to accommodate user scrolling behaviors. By taking this approach, we have seen publishers improve bid rates by 20% while increasing CPMs by 10%.

Single ad group   600 ms timeout

publisher.com

{User Scroll}

SSP 1

SSP 2

SSP 3

publisher.com

Ad group #1

{User Scroll}

Ad group #2

SSP 1

SSP 2

SSP 3

400 ms

SSP 1

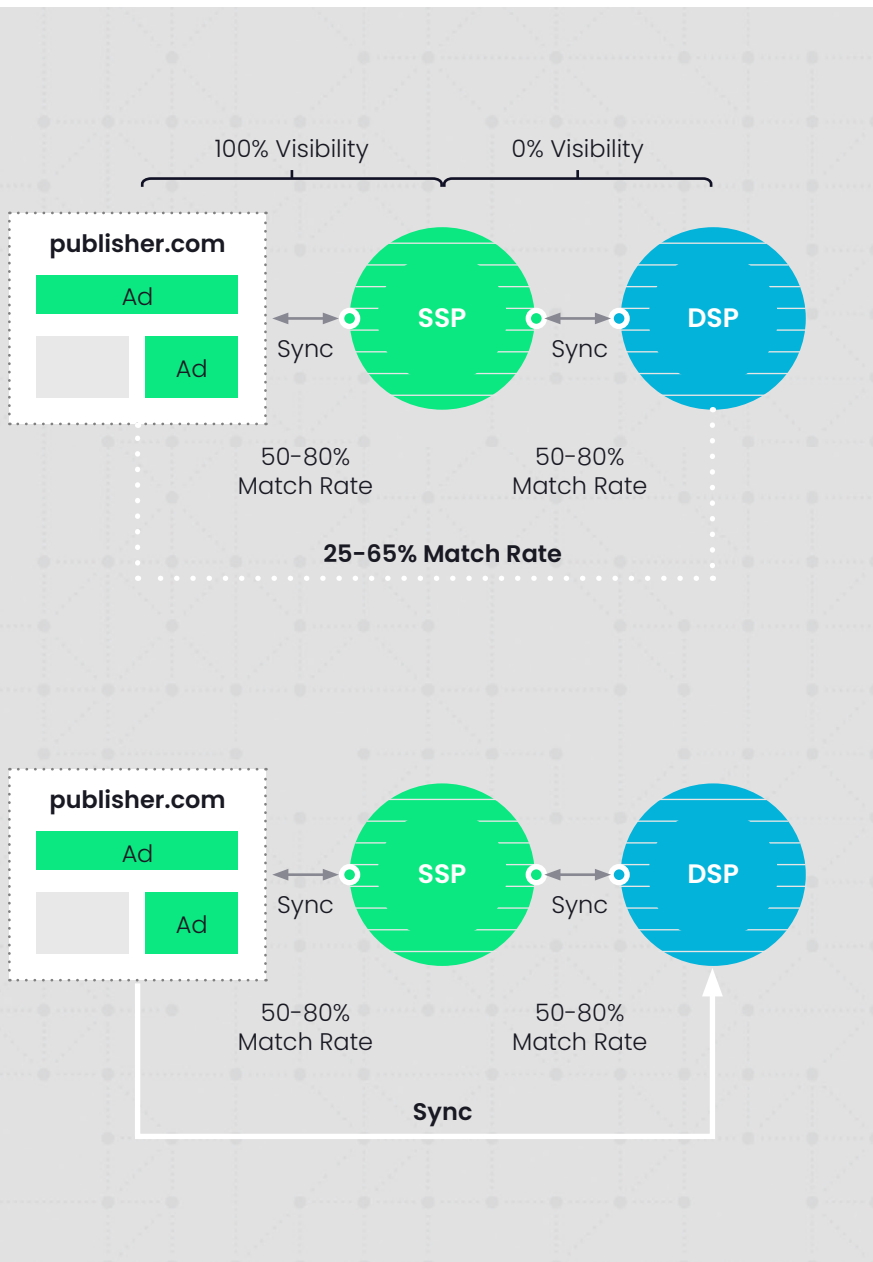SSP 2

SSP 3

1000 ms

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#3 Downstream Match Rate

(match rate between DSPs and requests from the publisher)

With no direct relationship with end users (and therefore no first-party data), SSPs and DSPs rely on cookie matching to 'sync' the users who are common to all trading partners; this sync determines a match rate, the percentage of shared known users, which usually hovers around 50-80% between each downstream participant. The higher the match rate, the more advertising revenue publishers can generate.

100% Visibility   0% Visibility

publisher.com
Ad
Ad

SSP ⟷ DSP
Sync   Sync

50-80% Match Rate   50-80% Match Rate

25-65% Match Rate

As cookie syncs are performed 'downstream' in the media trading chain (publishers to SSPs, SSPs to DSPs, DSPs to brands), the reduction in match rate between downstream trading partners (who are not directly connected to the publisher) is compounded at each step and can result in a loss of revenue for the publisher.

publisher.com
Ad
Ad

SSP ⟷ DSP
Sync   Sync

50-80% Match Rate   50-80% Match Rate

Sync

To mitigate this loss, publishers should sync data directly with their top performing downstream trading partners, or DSPs, using 'downstream' sync URLs. This simple change has helped some publishers increase match rates (and revenue) by 3x with downstream partners.

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#4 Fill Rate

(impressions served versus requests received)

CPM

Google Ad Manager (GAM) by default gives higher priority to direct sold campaigns, meaning they will be served before line items that have been assigned a lower priority (even if the lower priority items have higher CPMs). These lower priority programmatic ads will get fewer opportunities to compete in auctions, which can adversely affect a publisher's fill rate and revenue.

Publishers can achieve higher fill rates by rethinking how they set line item priorities within GAM. A good approach would be to identify the CPM threshold where header bidding line item's fill rate stops growing proportionally to the price tier. This threshold is the point to potentially increase the line item's priority from network (this is where header bidding lines are historically placed) to sponsorship or standard. Based on our publisher analysis, this CPM threshold tends to be somewhere between $15 and $20.

Traditional GAM Setup

4	Sponsorship
6, 8, 10	Standard
12	Network
12	Price Priority
16	House

Alternative Setup Approach

4	Sponsorship		>$20 HB Lines
6, 8, 10	Standard		
12	Network	Price Priority	$0.01–$20 HB Lines
16	House		

Publishers can then create higher priority line items for open exchange bids above that CPM threshold (e.g: $20) and let them compete with direct sold inventory. At the same time, lower price priority items ($0.01 - $20) can be placed at the same priority as network line items. The MediaGrid has doubled fill rates when HB lines greater than $20 CPM (or the respective $X value for that publisher) are set at sponsorship (4)/top standard (6-8) priority.

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#5 VAST Impression Rate

(video ad impressions versus bids)

The IAB VAST specification aims to ensure that video ads run in the way that the publisher wants, regardless of which website and device they are being shown on. But the high number of technical integrations increases the likelihood of a VAST error in the time between the advertiser winning the auction and the ad being served.

At The MediaGrid, we see that 13% of video supply results in errors & no revenue.
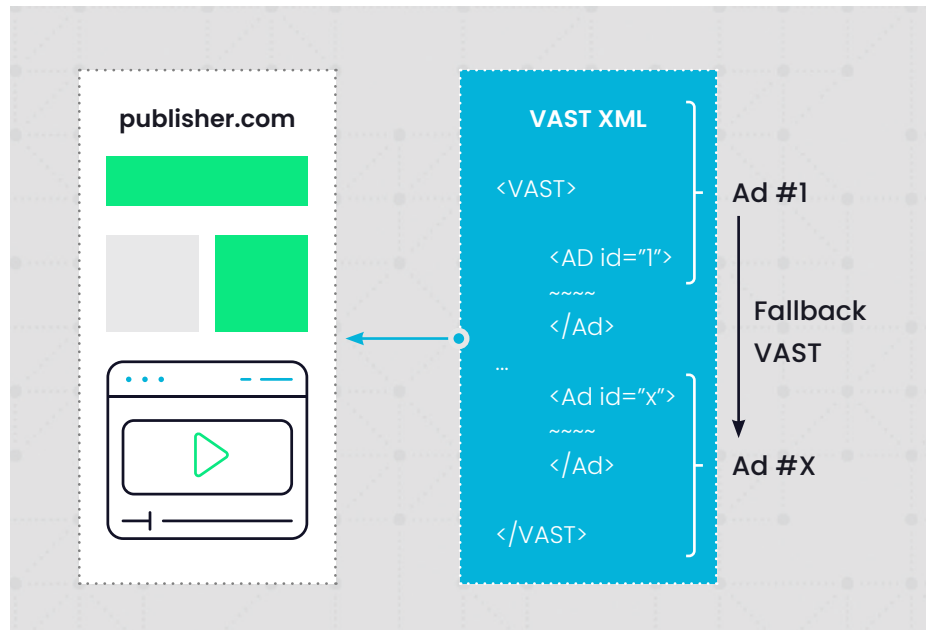
Monitoring the VAST impression rate lets publishers know whether video ads are playing and to mitigate errors if they are not. Setting up a VAST waterfall can combine VAST ads sequentially to ensure an ad always gets shown. In some cases, we've seen 14% VAST impression rate growth by implementing this change.

Who we are

The MediaGrid is a new supply curation and management platform from IPONWEB, designed to bring agency buyers and publishers closer together and empower both sides with tools that drive greater trading efficiency, performance, and value.

Connect with The MediaGrid.

Email us directly at info@themediagrid.com for more information, or visit us at www.themediagrid.com.