Image Types: GIF, JPEG, and PNG

There are two primary compression schemes for image files used on the Web today: GIF and JPEG. Both file types are universally understood by all web browsers. Although often used interchangeably for images, GIF compression and JPEG compression are each suitable for very different types of pictures.

GIF compression works best with images that have lots of flat color space (no gradations or continuous tones), such as drawings and flat-color graphics.

Suitable GIF:

JPEG compression works best with pictures that are photographic in nature, without sharp edges, and containing lots of graduated, continuous tone color.

Suitable JPEG:

PNG (Portable Network Graphic)

PNG is a bitmapped image format that employs lossless data compression. PNG was created to improve and replace the GIF format, as an image-file format not requiring a patent license. PNG is pronounced "ping".  
  
For more information on PNG, go to [Wikipedia](http://en.wikipedia.org/wiki/PNG) or the [PNG home site](http://www.libpng.org/pub/png/).