



# All About Ads

## How Tubi uses Real-Time Bidding to Sell Ads

Real-time bidding (RTB) provides a way for Tubi to sell ad opportunities the moment that they become available to Demand-Side Partners through instant online auctions.

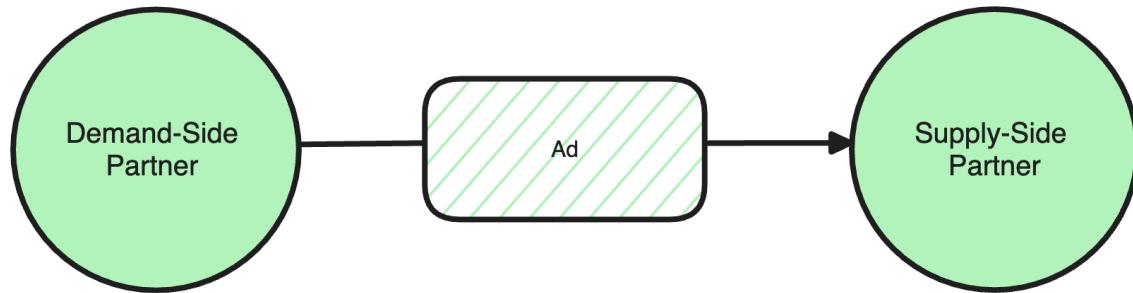
RTB is accelerated during an instant auction, so there is always a winning bid within milliseconds of the instant auction's start time.

To maintain privacy for the Demand-Side Partners and to prevent bid manipulation, all RTB is blind in a Tubi instant auction. Blind bidding ensures that Tubi sells ad impressions quickly and at a fair market price.

## Tubi sells ad opportunities

Tubi is both a publisher and a Supply-Side Partner in the advertising ecosystem.

- As a publisher, Tubi provides Demand-Side Partners with ad impressions, viewer access, and ad placement.
- As a Supply-Side Partner, Tubi offers Demand-Side Partners the opportunity to purchase ad impressions through real-time bidding.



## What's an ad impression?

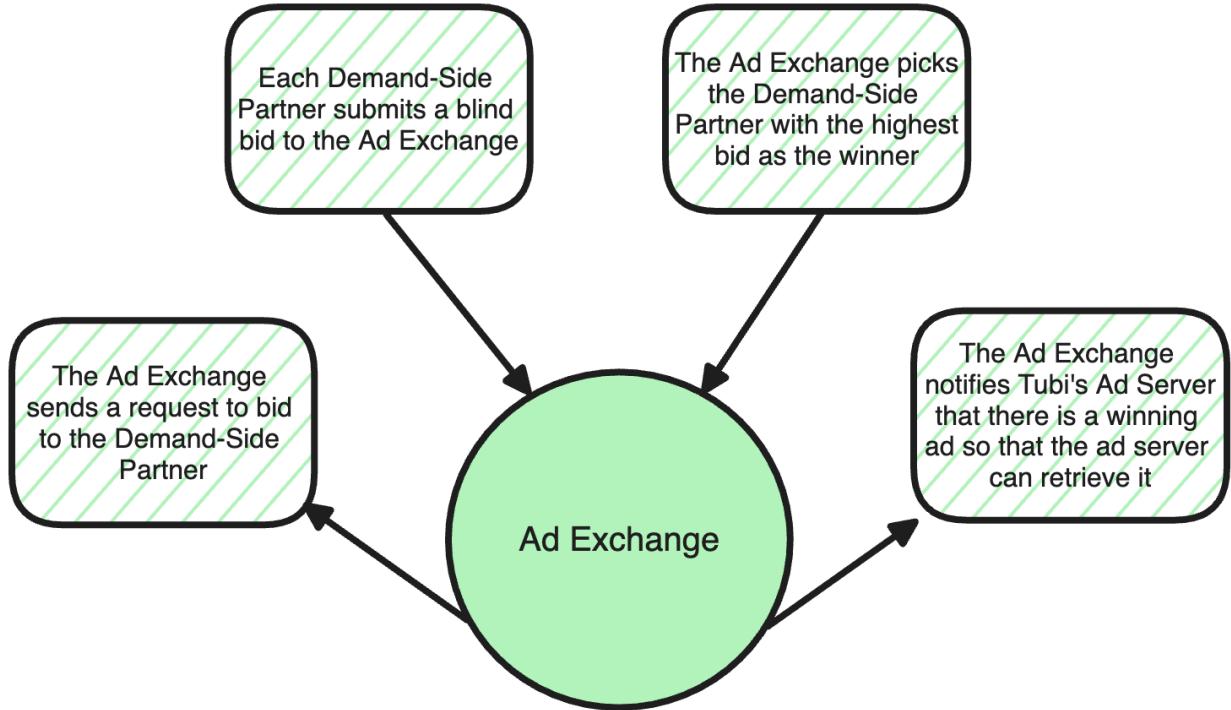
An ad impression is an instance of available ad space within a film or series. The time slot for an ad impression shown on Tubi can range between a few seconds and one minute.

Tubi uses the following processes to know when an ad impression is available for purchase.

- **Ad serving system** — Monitors content delivery and identifies natural breaks in the content. Communicates with the ad exchange when it is time to initiate the bidding process with the Demand-Side Partners.
- **Ad placement algorithms** — Analyzes the ad, including its duration, and the user behavior of those who have watched it to determine optimal moments for ad insertion.
- **Ad inventory management** — Tracks the availability of ad slots within the content and works with the ad server to ensure the availability of ad impressions.

## How does real-time bidding work?

When an ad impression becomes available, Tubi's ad platform notifies the ad exchange to initiate the RTB process by sending a request for bids to multiple demand-side platforms. This is the first step in the RTB process.



## Demand-Side Partners have milliseconds to submit an RTB

The bid request sent to demand-side platforms includes specific details about the ad impression, such as ad format (i.e., pre-roll, mid-roll, post-roll, or customized), ad position (e.g., during a natural break in content), slot duration, and user targeting parameters.

Each Demand-Side Partner has only milliseconds to respond to the bid request. To improve their odds of winning, they use bidding algorithms and other automated systems to evaluate the bid request quickly and submit an RTB to the ad exchange within the tight timeframe.

If the Demand-Side Partner wants Tubi to customize their ad, the RTB must include third-party user data such as online behaviors and online shopping preferences so that Tubi can accurately target the segment of users who are likely to find the ad relevant. The Demand-Side Partners must also provide the RTB's creative assets and campaign objectives.

## The winning bid is not always the highest

After all the RTBs are submitted, the ad exchange evaluates them based on bid price, ad relevance, and targeting criteria. As a result, the winning bid is not always the highest. For a Demand-Side Partner to be awarded the winning bid, they must not only submit the highest bid but also align their ad criteria with Tubi's ad guidelines. For example, Tubi does not show ads for guns and tobacco.

## Tubi prepares the winning ad for viewing

Upon receiving notification from the ad exchange, Tubi's ad server retrieves the winning ad from the demand-side platform. The ad server is responsible for parsing and validating the ad to ensure that Tubi's ad guidelines are met and that the customized ad is integrated into the appropriate context within the content stream.

To learn more about how Tubi customizes ads, see [Customized Ads Personalize the Tubi User Experience](#).

## Summary

Real-time bidding helps Tubi monetize its ad inventory through instant auctions. Real-time bidding also benefits Demand-Side Partners by providing instant auctions to purchase ad impressions at a fair market price.