



Online Advertising

With technology of automatic selection / calculation of reasonable bid

How it works ?

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Description of Technology

In addition to the standard purchase advertising opportunities at a fixed rate, we offer a technology that allows our service to stand out among its competitors. We call this technology smart floating CPC (sfCPC - floating reasonable cost per click).

This technology allows you to calculate and determine the effective bid at which advertising will be purchased on each publisher's website individually, depending on how many conversions you get.

This occurs as follows:

The Conversion Counter (Pixel Tracking, S2S Tracking) integrates the advertiser's website and sends to an advertising server Converigator information on reached goals (CPL, CPS, CPA) and their values. The advertising server analyzes the statistics and on this basis calculates the effective cost of advertising on each publisher's website for each individual advertiser.

Thus, the cost of advertising may vary (increase or decrease). All advertising space can be divided into three groups:

- Highly efficient, with good traffic, which give more positive actions (conversions) users.
- Average-efficient, less quality traffic.
- Low-efficient, with large amounts of untargeted traffic.

Accordingly, the prices are formed on the basis of this division. Advertising budget is allocated so that more advertising is purchased on the high-performance websites and the purchase of advertising on the ineffective websites stops.

The general scheme of work

Our advertising server begins purchasing clicks of your banner on several niche websites based on your suggested bid. It allows accumulating first statistics and analyzing the volume of traffic received.

The Convervator tracks the results of visitor actions – if these end up with buying your goods/ordering services or making any other positive actions, like: subscribing to a feed; creating an account; downloading a file & etc.

The process of determination of reasonable bids calculating for each advertising space is carried out individually.

Publisher's website 1

Let's assume this website has really good conversion rates. There are big quantities of positive actions as compared to the total amount of clicks.

This results in increasing costs of click, so your banner is positioned better in rotation as compared to the other ads on that website. This brings even more visitors, more high-quality traffic, resulting in bigger profit.

Publisher's website 2

Let's say this website has moderate conversion. It provides somewhat low amount of positive actions in comparison to the total amount of clicks.

Initial expenses remain the same. Your banner sits in the middle of rotation, resulting in certain amounts of clicks, giving traffic with positive actions. Expenses are affordable.

Publisher's website 3

Let's state that there is bad conversion. Huge amounts of empty traffic with little positive actions.

Average cost of click is lowered nearly to zero. Your banner sits in the end of rotation and costs cheaper. Amounts of empty traffic decrease, expenses on this website decrease too, allowing reallocating resources to websites 1 and 2, where ROI is much higher.

Comparison Table

	sfCPC	CPC	CPA affiliate networks
Cost of advertising depends on results received	Yes	No , almost no correlation with the sales or obtained leads	Yes
Payment method	Pay per clicks , floating rate (the cost tied to CPA goal)	Pay per clicks , with fixed rate	Pay per action , usually a fixed amount or percentage of the sale
Media advertising, focused on brand awareness	Yes , along with sales	Yes	No , purpose is only for sale and methods for receiving of the traffic is not typical for media advertising
Broadcast advertising on premium websites	Yes	Yes	No , because the majority of websites are not interested in CPA model or the priority has the model of sfCPC/CPC/CPM
The initiator of the advertising campaign	Advertiser (selects a website for the advertising in its sole discretion)	Advertiser (selects a website for the advertising in its sole discretion)	Publisher (chooses an advertiser if he is interested in conditions and subjective parameters)
Webmaster / Publisher is motivated to obtain positive results	Yes , because the income depends on result	No obvious motivation , as the income does not depend on result	Yes , because the income depends on result
The ability to quickly stop the ad campaign (or restart with the new settings)	Yes	Yes	No (depending on advertising platform and technology)
The possibility of using „gray“ and „black“ schemes to get traffic	No , it does not make any sense	No , it does not make any sense	Yes (eg – spam using affiliate links or artificial)

The meaning of technology of floating bid is that the advertising purchases increase on websites which generate more conversions. The more conversions brings the ad space, the better it is encouraged (webmaster earns more by automatic bid increase). At the same time, the purchase of advertising stops on websites that do not bring conversions (by lowering the rate to 0 after a certain test period).

Choose our model with a floating bid and become a leader among the competitors!

For more information, please visit our website www.convergator.com