

How RTB 3.0 Will Change Ad Tech

Interview | SEPTEMBER 2018

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An interview with:
Jim Butler

Co-Chair
IAB Tech Lab OpenRTB Working Group

The Interactive Advertising Bureau (IAB) Tech Lab regularly revises the protocol that ad tech vendors use to determine how programmatic bidding should work on their platforms. With gradual updates, new specs are backward compatible with old ones, and they belong to the same series. For example, a platform using the OpenRTB 2.5 spec can operate within another platform using the 2.4 spec.

Right now, the IAB Tech Lab is working on a new spec, OpenRTB 3.0, which is a major overhaul and not backwards compatible with previous specs. Jim Butler, co-chair of the **IAB Tech Lab OpenRTB Working Group** and CTO of global supply platforms at **Oath**, spoke with eMarketer's Ross Benes about how this new spec could change the way ad tech companies operate.

eMarketer:

Why did the IAB Tech Lab want to overhaul the RTB spec?

Jim Butler:

We've been doing incremental releases for several years in the 2.0 series. But the complexity in the supply chain has gotten to the point where the underlying model that 2.0 was based on was not really a reality any more. That's one of the reasons why 3.0 isn't fully backward compatible because there were things that simply had to change structurally.

eMarketer:

What sort of things did you have to change structurally?

Jim Butler:

OpenRTB 3.0 makes it less ambiguous to determine if a bid was accepted or if it already had been declared a losing bid. And it has rules on how intermediaries such as ad exchanges act on data and [send impressions] onto the next link in the chain.

eMarketer:

When will RTB 3.0 come out?

Jim Butler:

September 24 is the end of the beta period and the public comments. We'll be doing some cleanup after that with the comments we receive. Then we will be publishing [the spec] at some point during Q4. We want to get this out by the end of the year.

eMarketer:

Because RTB 3.0 is not backward compatible with previous specs, how will programmatic platforms utilize the new spec if the other vendors they work with don't?

Jim Butler:

The exchanges are going to have to offer 3.0 and 2.0 both for the foreseeable future and try to encourage buyers that there's enough value in 3.0 to upgrade. They need to provide enough supply in 3.0 that we eliminate the chicken and the egg problem when it comes to adoption.

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