

More Publishers Are Using a **Hybrid Header Bidding Approach**

Server-side and browser-side are being used in tandem

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Publishers are increasingly using a mixed approach to sell their ad inventory programmatically.

Over the past six months, the number of US sites that use browser-side and server-side header bidding in tandem has increased by more than 50%, according to research from header bidding vendor ServerBid. Among the internet's most popular 1,000 sites that sell programmatic ads, 21.1% will use both server-side and browser-side header bidding to sell their inventory in February 2018.

US Websites that Use Header Bidding, by Type, Sep 2017-Feb 2018

% of total HBIX sites*

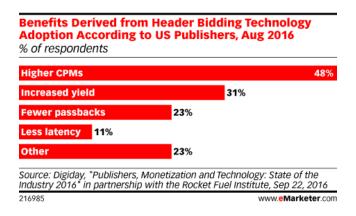
	Sep 2017	Oct 2017	Nov 2017	Dec 2017	Jan 2018	Feb 2018
Client-side wrapper	42.6%	43.2%	40.4%	41.6%	40.1%	39.0%
Server-side wrapper	5.8%	6.2%	5.8%	6.1%	5.8%	6.3%
Hybrid** wrapper	13.6%	14.8%	17.7%	18.1%	20.7%	21.1%
No wrapper	7.7%	6.7%	7.7%	6.2%	6.7%	6.7%
Total	70.0%	71.0 %	71.6 %	72.0 %	73.3 %	73.1%

Note: numbers may not add up to total due to rounding; *among Alexa Internet's top 1,000 sites that do programmatic advertising; **uses both Client-side and server-side wrapper Source: ServerBid, "Header Bidding Industry Index - Feb 2018," Feb 5, 2018



About three years ago, publishers began using header bidding to sell their digital inventory. This revolutionized automated advertising because header bidding allowed them to simultaneously offer inventory to multiple ad exchanges before making calls to their ad servers. Previously, programmatic publishers used an approach called waterfalling that passed bids sequentially from one exchange to the next.

Since header bidding allowed more exchanges to compete for the same inventory, publishers saw the prices of their inventory go up due to the increased competition.



The downside was that making all of those ad calls at the same time slowed down page load times since the original format of header bidding hosted the ad calls on users' browsers.

To mitigate these latency problems, a little over a year ago, several ad tech vendors created header bidding products that hosted the ad calls on web servers. Moving ad calls from people's browsers to servers significantly reduced page load times. Industry insiders speculated that this new form of header bidding, called server-side bidding, would replace browser-side header bidding.

Rather than replace browser-side header bidding with its server-side cousin, many publishers are adopting both technologies. The growth in server-side bidding is being driven by Amazon's Transparent Ad Marketplace, which is the most popular server-side product in the ad industry, according to ServerBid.

