The Trade Desk Joins Alternative Ad-Tech Coalition Prebid

|
2 hours ago
Key Insights

- Move is likely to increase the rate of adoption of alternatives to existing tech standards.

The trials and tribulations of independent ad tech are well documented, and in recent years many of these companies have formed a myriad of coalitions to help members better compete with the duopoly of Facebook and Google, with Amazon quickly rising behind them.

Today, one of the more eminent coalitions, Prebid, received a significant boost by signing on The Trade Desk, an ad-tech company worth nearly $11 billion, as its newest member. The Trade Desk will be the first demand-side platform to join the coalition's ranks. The move follows an earlier relationship that saw the DSP integrate its Unified ID Solution with the organization.

Prebid started out in 2017 as a coalition of ad exchanges, notably AppNexus and Rubicon Project, that standardized programmatic monetization tools for participating members.

The addition of a DSP of The Trade Desk's scale is significant, and likely to increase the rate of adoption for alternatives to the tech standards imposed by the industry's largest names.

Tom Kershaw, chief technology officer of digital advertising infrastructure firm Rubicon Project, said other DSPs were now likely to join Prebid, explaining that the consortium is also on course to double the number of publisher participants (which currently stands at four, including Rupert Murdoch's News Corp.)

"DSPs are constantly trying to deal with proprietary systems, and what we need is one system that all buyers and sellers use," Kershaw said. "Having The Trade Desk means that we're going to have much tighter integration and standardization."

Arguably, the most notable success of Prebid has been helping to standardize the industry's approach to header bidding—a programmatic monetization tool for publishers developed to disrupt Google's dominance of online ad auctions.

"I think this speaks to the maturity of the ecosystem and the maturity of the Prebid project," said Tim Sims, svp of inventory partnerships at The Trade Desk. "We've always wanted a more transparent supply chain … and auction mechanics are a component of that, and if Prebid can help with that then we're all for it."

Per Kershaw, in 2020 Prebid will enter "a new phase" that will involve developing tools that will reduce publishers' reliance on ad servers, another tier of the industry that is dominated by Google's offering.

"We're building out programmatic guaranteed in open source and that includes pacing and [frequency] capping and forecasting," he said. "All of those were functions that you used to have to rely on the ad server for."

Additionally, Kershaw explained that Prebid will begin working on tools for the fast-emerging connected TV sector, as well as tools that will better enable publishers to implement dynamic floor pricing in ad auctions.

David Pickles, co-founder and CTO of The Trade Desk, will take a seat on Prebid’s board.

https://www.adweek.com/programmatic/the-trade-desks-joins-alternative-ad-tech-coalition-prebid/