

Exercise 5.1

- **What are the three primary business models for advertising?**
- **Explain the differences between them from a publisher's perspective and from an advertiser's perspective**
- **What is the dominant business model in sponsored search?**
- **What is ECPM –based ranking? What is a key component of ECPM? How does high variance effect the publish and the advertiser?**
- **What percentage of US GDP does advertising make up? What percentage of US GDP does online advertising make up?**

Exercise 5.2

- **What are the main channels (publisher-side) for online advertising (search is one). List and describe each.**
- **Can you explain the supply demand view of online advertising? Give examples of suppliers and demand organizations and justify.**
- **What is an ad network?**
- **What is an ad exchange?**
- **Describe the online advertising ecosystem for a modern online advertising system**
 - For Search
 - For Display