

Paid Media Glossary

60+ terms explained in plain language — with real-world examples

Whether you're new to paid advertising or reviewing your knowledge, this glossary covers the terms you'll encounter most frequently across Google Ads, Meta Ads, LinkedIn Ads, and programmatic platforms. Terms are listed alphabetically and explained in plain language.

A	
A/B Testing	Comparing two versions of an ad, landing page, or audience to determine which performs better. Also called split testing.
Ad Auction	The real-time process that determines which ads appear and in what order each time a user performs a search or triggers an ad placement.
Ad Copy	The written content of an advertisement — headlines, descriptions, and calls to action — designed to attract clicks and drive conversions.
Ad Fatigue	A drop in ad performance (lower CTR, higher frequency) that occurs when an audience has seen the same creative too many times.
Ad Rank	A Google Ads metric that determines your ad's position. Calculated from your bid, Quality Score, and expected impact of ad extensions.
Ad Schedule	A campaign setting that limits when your ads appear — specific days of the week or hours of the day. Also called dayparting.
Attribution	The process of assigning credit for a conversion to one or more touchpoints in a customer's journey.
Audience Segmentation	Dividing your target market into distinct groups based on shared characteristics to deliver more relevant advertising.

B	
Bid Adjustment	A percentage modifier applied to your base bid for specific signals — device, location, time of day, or audience — to raise or lower your bids automatically.
Bid Strategy	The method you choose for how Google or Meta optimises your bids. Examples: Target CPA, Target ROAS, Maximize Conversions, Manual CPC.
Bottom-of-Funnel (BOFU)	Targeting people who are close to making a purchase decision — typically using high-intent keywords or retargeting audiences.
Brand Safety	Measures taken to ensure your ads don't appear alongside content that could damage your brand's reputation.

C	
Click-Through Rate (CTR)	The percentage of people who click your ad after seeing it. $CTR = (\text{Clicks} \div \text{Impressions}) \times 100$. Industry average on Google Search is 3–5%.
Conversion	A desired action completed by a user — a purchase, form submission, phone call, app download, or other goal defined in your tracking setup.
Conversion Rate (CVR)	The percentage of ad clicks that result in a conversion. $CVR = (\text{Conversions} \div \text{Clicks}) \times 100$.
Conversion Tracking	Code installed on your website or app that records when users complete specific actions after clicking your ads.
Cost Per Acquisition (CPA)	The total cost to acquire one conversion. $CPA = \text{Total Spend} \div \text{Number of Conversions}$. A key metric for evaluating campaign efficiency.
Cost Per Click (CPC)	The amount you pay each time someone clicks your ad. Influenced by competition, Quality Score, and bid strategy.
Cost Per Mille (CPM)	Cost per 1,000 impressions. The standard pricing model for display, video, and awareness-focused campaigns.
Cost Per View (CPV)	The amount you pay each time a user watches a portion of your video ad. Common in YouTube advertising.
Custom Audiences	Audience segments built from your own data — website visitors, customer email lists, or app users — used for retargeting and lookalike creation.

D	
Daily Budget	The maximum amount you're willing to spend per day on a campaign. Google may exceed this by up to 2x on some days but averages out over the month.
Display Advertising	Visual banner ads (images, HTML5, video) shown across websites and apps within the Google Display Network or programmatic platforms.
Dynamic Search Ads (DSA)	Google Ads format that automatically generates headlines based on your website content and matches them to relevant search queries.

E	
eCPC (Enhanced CPC)	A bid modifier that allows Google to adjust your manual bids up or down based on the likelihood of conversion.

Engagement Rate	The percentage of people who interacted with your ad (liked, commented, shared, clicked) out of those who saw it. Key metric on social platforms.
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E

Frequency	The average number of times a unique user sees your ad within a given time period. High frequency = ad fatigue risk.
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Frequency Cap	A setting that limits how many times a single user sees your ad in a given period — protecting against ad fatigue in display and social campaigns.
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G

Google Display Network (GDN)	A network of over 2 million websites, apps, and Google properties where display and video ads can appear.
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Google Performance Max (PMax)	A goal-based campaign type that runs across all Google channels (Search, Display, YouTube, Gmail, Maps) from a single campaign.
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Google Shopping Ads	Product listing ads that appear in Google's Shopping tab and search results, showing product image, price, and store name.
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I

Impression	Each time your ad is displayed to a user, whether or not they click it. Impressions are the base unit of ad delivery measurement.
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Impression Share	The percentage of eligible impressions your ads actually received vs the total available. Low impression share = budget or Quality Score constraints.
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K

Keyword Match Types	Google Ads settings controlling how closely a search query must match your keyword to trigger your ad. Types: Broad, Phrase, Exact.
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KPI (Key Performance Indicator)	A measurable value used to evaluate campaign success. Examples: CPA, ROAS, CTR, CVR, lead volume, impression share.
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L

Landing Page	The specific web page a user arrives at after clicking your ad. Landing page relevance and quality significantly impact conversion rates and Quality Score.
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Lead Generation Ads	Ad formats (Google Lead Form Extensions, Meta Lead Gen forms, LinkedIn Lead Gen Forms) that collect user contact info directly within the ad.
Lifetime Value (LTV)	The total revenue a customer generates over their relationship with your business. Important context for setting CPA targets.
Lookalike Audiences	Audiences on Meta or LinkedIn that resemble your existing customers or high-value users — used to scale prospecting campaigns.

M

Manual CPC	A bidding strategy where you set individual maximum bids for each keyword or ad group, rather than letting the platform automate bids.
Meta Ads Manager	The platform used to create, manage, and report on advertising campaigns across Facebook and Instagram.
Meta Pixel	A snippet of code installed on your website that tracks user actions (page views, purchases, leads) driven by Meta ad campaigns.

N

Negative Keywords	Keywords added to a campaign that prevent your ads from showing on irrelevant searches. Critical for controlling budget waste in Google Ads.
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P

Performance Max (PMax)	See: Google Performance Max. A single Google Ads campaign that runs across all channels using machine learning to optimise delivery.
Programmatic Advertising	Automated buying and selling of digital ad inventory in real time through demand-side platforms (DSPs) and supply-side platforms (SSPs).

Q

Quality Score	Google's 1–10 rating of the relevance and quality of your keywords, ad copy, and landing pages. Higher Quality Scores lower your CPC and improve ad rank.
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R

Reach	The total number of unique users who saw your ad at least once within a given time period.
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Remarketing / Retargeting	Showing ads to users who have previously visited your website, viewed a product, or interacted with your brand but haven't converted.
Return on Ad Spend (ROAS)	Revenue generated per dollar of ad spend. $ROAS = \text{Revenue} \div \text{Ad Spend}$. A ROAS of 4 means \$4 returned for every \$1 spent.
Return on Investment (ROI)	Broader than ROAS — accounts for all costs (agency fees, creative, overhead) not just ad spend. $ROI = (\text{Revenue} - \text{Total Cost}) \div \text{Total Cost} \times 100$.
RSA (Responsive Search Ad)	The primary Google Search ad format. You provide up to 15 headlines and 4 descriptions; Google's machine learning tests combinations to find the best performers.

S

Search Term Report	A Google Ads report showing the exact queries that triggered your ads. Essential for finding new negative keywords and keyword opportunities.
Smart Bidding	A subset of automated bid strategies in Google Ads that use machine learning to optimise for conversions or conversion value in real time.

T

Target CPA	A Google Smart Bidding strategy that automatically sets bids to get as many conversions as possible at your specified target cost per acquisition.
Target ROAS	A Google Smart Bidding strategy that optimises bids to maximise conversion value at your specified target return on ad spend.
Top-of-Funnel (TOFU)	Campaigns targeting users who are not yet actively searching for your product — awareness-stage advertising via display, video, or social.

V

View-Through Conversion	A conversion from a user who saw (but did not click) your ad, then later converted on your website. Common in display and video campaigns.
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W

Website Traffic Campaign	A campaign objective that optimises for driving the maximum number of relevant users to your website — as opposed to optimising for conversions.
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■ **Want help putting these terms into practice?**

The 6th Avenue manages paid media campaigns across Google Ads, Meta, LinkedIn, TikTok, Pinterest, Amazon, and more — for businesses across Canada, the US, Europe, and the Middle East.

Get in touch at www.the6thavenue.com