

shenshin.co

MARKETING GUIDE



# The Marketing Terms Glossary

Every acronym and metric, in plain English

Igor Shenshin / Head of User Acquisition

# What is inside

**01** Spend and pricing

---

**02** Performance and value

---

**03** Funnel and audience

---

**04** Channels and formats

---

**05** App and mobile

---

**06** Tracking and tools

---

**07** Affiliate and arbitrage

---

Marketing has its own language, and most of it sounds harder than it is. When you are new, every conversation is full of acronyms that people fire off like everyone already knows them. This guide fixes that by putting the common ones in one place with a plain meaning for each.

I am Igor Shenshin, Head of User Acquisition. I put this glossary together the way I wish someone had handed it to me on day one. Read it front to back once to get the lay of the land, then keep it open and jump to the chapter you need whenever a term trips you up.

# Spend and pricing

These terms describe what you pay for and how the price is set. Almost every ad platform bills you on one of these models, so knowing them tells you exactly what a number means before you react to it.

Term	What it means
CPM	Cost per mille, meaning cost per one thousand ad impressions.
CPC	Cost per click, the amount you pay each time someone clicks your ad.
CPA	Cost per action, what you pay for one desired action like a signup or sale.
CPI	Cost per install, ad spend divided by the number of app installs.
CPL	Cost per lead, what you pay to capture one contact such as an email address.
CPV	Cost per view, the price you pay for a single video view.
Bid	The maximum price you tell the platform you are willing to pay for a click, view, or action.
Budget	The total amount you set the platform to spend over a day or the life of a campaign.
Flat fee	A fixed price for a placement or sponsorship, regardless of clicks or impressions.
Cost cap	A target you set so the platform tries to keep your average cost per action near a chosen number.

# Performance and value

This is the scoreboard. These metrics tell you whether the money you spent came back, how much a customer is worth, and where you are actually making a profit rather than just moving cash around.

Term	What it means
CTR	Click through rate, clicks divided by impressions, shown as a percentage.
CVR	Conversion rate, conversions divided by clicks or visits, shown as a percentage.
ROAS	Return on ad spend, revenue divided by ad spend.
ROI	Return on investment, profit divided by total cost.
LTV	Lifetime value, the total revenue you expect from one customer over time.
CAC	Customer acquisition cost, total sales and marketing spend divided by new customers won.
AOV	Average order value, total revenue divided by number of orders.
ARPU	Average revenue per user, total revenue divided by number of users.
MER	Marketing efficiency ratio, total revenue divided by total marketing spend across all channels.
Payback	The time it takes for a customer to earn back what you paid to acquire them.
Contribution margin	Revenue left after variable costs, the money available to cover fixed costs and profit.
Break even	The point where revenue exactly equals your costs, so you neither gain nor lose.

# Funnel and audience

These words describe the journey people take from stranger to customer and how you group and target the people along the way. Get these straight and campaign strategy conversations start making sense.

Term	What it means
Funnel	The path a person moves along from first learning about you to buying and beyond.
TOFU	Top of funnel, the awareness stage where people first discover you.
MOFU	Middle of funnel, the consideration stage where people compare and evaluate.
BOFU	Bottom of funnel, the decision stage where people are ready to buy.
ICP	Ideal customer profile, a description of the exact type of customer you want most.
Persona	A semi fictional character that represents a typical customer and their goals.
Segment	A group of people split out by a shared trait such as location, age, or behavior.
Lookalike	An audience the platform builds to resemble your best existing customers.
Retargeting	Showing ads to people who already interacted with you but did not convert.
Cohort	A group of users bucketed by when they joined, so you can compare them over time.
Churn	The percentage of customers who stop using or paying for your product in a period.
Retention	The percentage of customers who stay with you over a given period.

# Channels and formats

These terms name the places you can run marketing and the shapes your ads take. When someone asks which channel or format to use, this is the vocabulary they are speaking.

Term	What it means
SEM	Search engine marketing, paying to appear in search engine results.
SEO	Search engine optimization, earning free search traffic by improving your site and content.
PPC	Pay per click, any advertising where you pay only when someone clicks.
SMM	Social media marketing, promoting your brand on social platforms.
Display	Banner and image ads shown on websites and apps.
Native	Ads styled to blend into the content of the page they sit on.
UGC	User generated content, posts and videos made by customers rather than the brand.
Programmatic	Buying ad space automatically through software rather than manual deals.
DSP	Demand side platform, software advertisers use to buy ad space across many sites.
SSP	Supply side platform, software publishers use to sell their ad space.
Ad network	A company that connects advertisers with many publishers to place ads at scale.
Impression	One instance of an ad being shown to a person.

# App and mobile

Mobile marketing has its own set of terms because apps are measured and tracked differently from websites. If you touch app growth at all, these will come up constantly.

Term	What it means
ASO	App store optimization, improving your store listing to rank higher and win more installs.
MMP	Mobile measurement partner, a tool that tracks which ads drive installs and in app events.
SKAdNetwork	Apple framework that reports app install attribution while protecting user privacy.
Install	One download and first open of your app, the basic conversion for app campaigns.
In app event	An action a user takes inside the app, such as a purchase or level completion.
D1	Day one retention, the share of users who return one day after installing.
D7	Day seven retention, the share of users who return seven days after installing.
D30	Day thirty retention, the share of users who return thirty days after installing.
Organic install	An install you did not pay for, coming from search or word of mouth.
Paid install	An install that came directly from an ad you paid for.
DAU	Daily active users, the number of unique people using the app each day.
MAU	Monthly active users, the number of unique people using the app each month.

# Tracking and tools

These are the pieces that connect a click to a result so you can prove what worked. Tracking gets more important every year as privacy rules tighten, so it pays to know the basics.

Term	What it means
Pixel	A small snippet of code on your site that reports visitor actions back to an ad platform.
CAPI	Conversions API, a server to server way to send conversion data to a platform without relying on the browser.
UTM	Tracking tags added to a link so your analytics knows which campaign sent the visitor.
GA4	Google Analytics 4, Google's current analytics tool for measuring site and app activity.
GTM	Google Tag Manager, a tool that lets you add and manage tracking tags without editing code each time.
Attribution	The method used to decide which ad or channel gets credit for a conversion.
First party data	Information you collect directly from your own customers and audience.
Third party data	Information about audiences bought or borrowed from outside sources.
Conversion	A tracked action that counts as a goal, such as a purchase, signup, or call.
Event	Any tracked user interaction, from a page view to a button click to a purchase.
Cookie	A small file stored in a browser that helps sites remember visitors and track behavior.
Dashboard	A screen that pulls your key metrics into one view so you can monitor performance.

# Affiliate and arbitrage

This corner of marketing is about earning a commission for driving actions to someone else's offer. The terms here feel niche at first, but they show up whenever performance and media buying meet.

Term	What it means
Offer	A specific product or action an advertiser will pay you to promote.
CPA network	A marketplace that connects affiliates with advertiser offers and handles payouts.
Vertical	A category of offers grouped by industry, such as finance, dating, or health.
Pre lander	A page that warms up a visitor before sending them to the main offer page.
EPC	Earnings per click, total commission earned divided by total clicks sent.
Payout	The amount you earn for each completed action on an offer.
Arbitrage	Buying traffic cheaply and sending it to offers that pay more than the traffic cost.
Affiliate	A partner who promotes offers in exchange for a commission on results.
Conversion cap	A limit an advertiser sets on how many conversions they will accept from you.
Postback	A server message that tells your tracker a conversion happened on the offer.
Traffic source	The place your visitors come from, such as search, social, or display ads.
Spread	The profit gap between what you pay for traffic and what the offer pays out.

## Where to go next

Keep this glossary handy, then pair it with the metrics cheat sheet on [shenshin.co](https://shenshin.co) when you want the formulas behind these terms, and read the blog for worked examples that show how the numbers connect in real campaigns.

[shenshin.co](https://shenshin.co)