Problem Statement

Problem Statement–
Describe the Problem Adblockers present to GYF

- A major portion of GYF's revenue comes from selling advertising to other companies who place ads on **GYF's digital services** which is similar companies like **Google, Yahoo, Bing.**
- Originally, this ad-selling business focused on the use of GYF's digital services and properties at traditional desktops, but recently it has significantly transitioned to mobile advertising. Last year, mobile advertising sales accounted for **70% of GYF's** total digital advertising **revenue**.
- In the second quarter of 2023, there were **496 million users** of mobile adblocking browsers worldwide. [1]
- **42%** of internet users worldwide now use some form of ad blocking.. That's up **15%** from 2020, indicating a steady rise. Mobile ad blocking is booming, with a **30% increase** year-over-year since 2022. [2].
- Ad blocking is a significant and growing challenge, with global ad blocking rates projected to surpass 50% by 2026.[3]

Region	Allowing Ads				Blocking Ads			
	Desktop	Tablet	Mobile	Total	Desktop	Tablet	Mobile	Total
Asia-Pacific	88.86%	96.82%	86.63%	87.93%	11.14%	3.18%	13.37%	12.07%
Central & Eastern Europe	56.94%	84.00%	92.49%	78.28%	43.06%	16.00%	7.51%	21.72%
Latin America	87.76%	96.90%	95.42%	91.29%	12.24%	3.10%	4.58%	8.71%
Middle East & Africa	86.02%	96.36%	95.76%	92.54%	13.98%	3.64%	4.24%	7.46%
North America	92.52%	99.20%	83.80%	86.03%	7.48%	0.80%	16.20%	13.97%
Western Europe	84.35%	97.60%	95.46%	90.82%	15.65%	2.40%	4.54%	9.18%
Total	84.81%	97.71%	90.36%	88.48%	15.19%	2.29%	9.64%	11.52%

- According to Global Insights for Adblock Usage | Adblock Analytics as Central and Eastern Europe has highest around 43% Desktop user are Blocking Ads

References- [1]- Number of Ad Block Users Worldwide (2024)

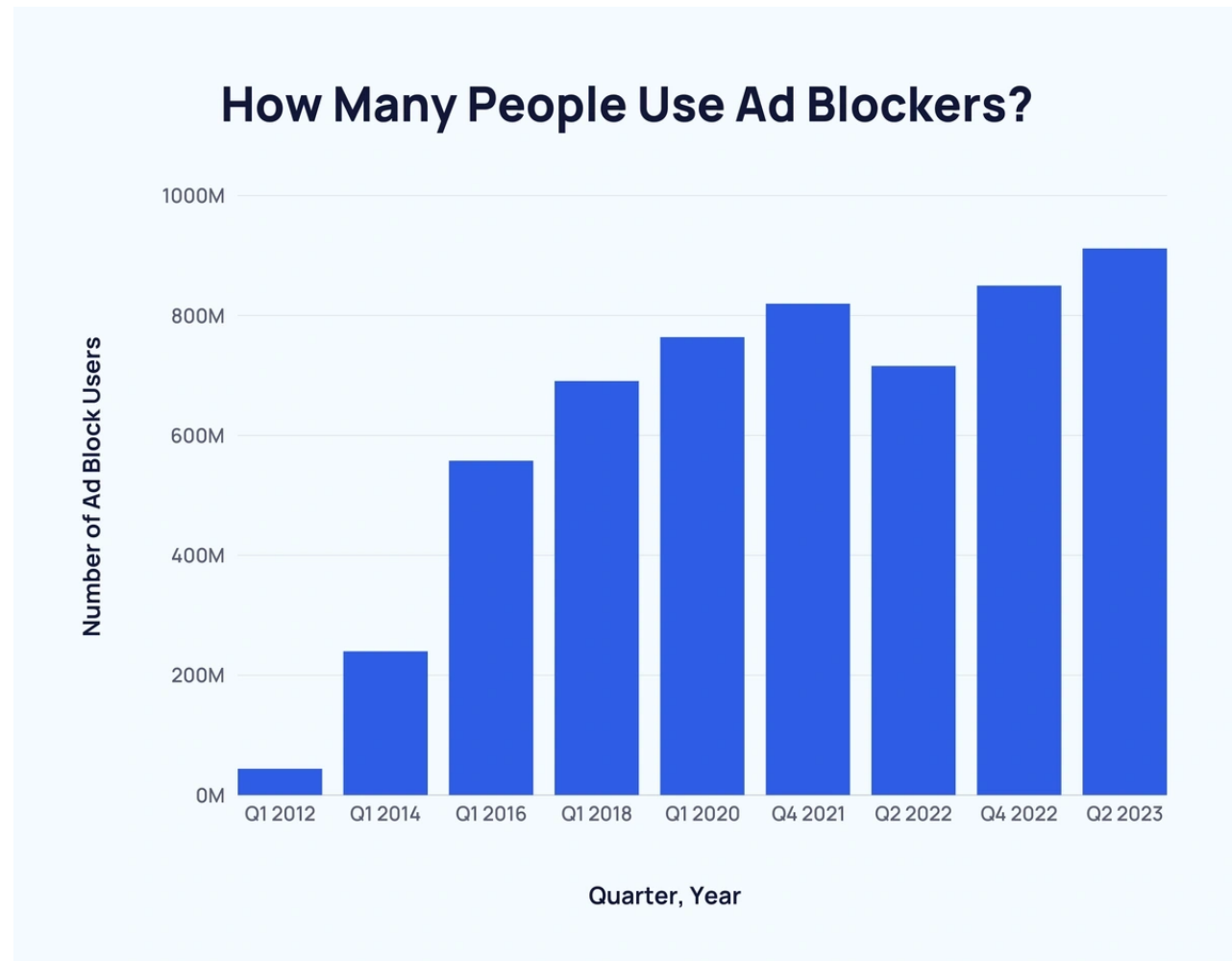[2]-Ad Blocker Usage Statistics 2024 - B2.ai

[3]- 40 Ad Blocker Stats Brands Need to Know in 2025 - Marketing Scoop

Problem Statement–

Describe the Problem Adblockers present to GYF

- The main problem faced by company GYF alike of Google and Yahoo is that ad-blocking software threatens their advertising-driven revenue model by blocking all ads, disrupting the relationship between advertisers and consumers, and undermining the free content ecosystem.
- The main problem faced by companies is that the rise of mobile ad-blocking, especially with Apple enabling it in Safari on iOS 9, threatens ad-driven revenue models and forces publishers to find alternative monetization strategies
- Ads can cause websites to load more slowly, drain your phone's battery, and use up your monthly network data limit more quickly. Additionally, there is a rising awareness of the possible privacy issue of adverts being used to track you online.

How Many People Use Ad Blockers?

Bar chart titled "How Many People Use Ad Blockers?" with y-axis "Number of Ad Block Users" (0M to 1000M) and x-axis "Quarter, Year" showing values for Q1 2012, Q1 2014, Q1 2016, Q1 2018, Q1 2020, Q4 2021, Q2 2022, Q4 2022, Q2 2023.

Problem Statement–
Describe the Problem Adblockers present to GYF

Problem Statement Questions for GYF's Adblocking Challenge

1. **Customer Analytics**: How does the loss of user tracking and behavioural data caused by adblocking software affect GYF's ability to provide its advertising clients with accurate customer insights, targeted audience segmentation, and performance metrics that justify their advertising investments?

2. **Operations Analytics**: What predictive models and optimization frameworks should GYF implement to forecast adblocking adoption rates across different platforms and geographic regions, and how can these models help determine the most efficient resource allocation for ad delivery systems?

3. **Accounting Analytics**: How should GYF revise its financial forecasting models to account for the revenue impact of increasing adblocking rates (currently 42% globally with 15% growth since 2020), and what metrics should be developed to accurately report these effects to stakeholders?

4. **People Analytics**: What organizational structure changes and talent acquisition strategies should GYF pursue to build teams capable of developing AdBlock-resistant advertising solutions, and how can employee performance metrics be realigned to incentivize innovation in this challenging environment?

5. **Cross-functional Analytics Challenge**: How can GYF integrate data across customer, operations, accounting, and people analytics to develop a comprehensive response to adblocking that maintains advertiser value while respecting the user concerns driving AdBlock adoption (slow loading times, battery drain, data usage, and privacy concerns)?

Each question now directly addresses one of the specific analytics domains while maintaining focus on the core problem of adblocking's impact on GYF's advertising business.

Problem Statement–

Application Exercise 1 – Research Methods and Tools (Optional)

- Use this space for describing the problem. Be as specific as possible! You should focus on the implications of adblockers on GYF's ad-buying customers; in exploring this, you might also consider the implications for GYF's end users, operations, and/or internal organization.

1. Given the definition of the problem faced by GYF due to Adblockers, I will go with Causal Research type for employing strategy for data team should Proceed because in Causal research with causation between the two variables. We can find this by three factors-

a) Correlation- Usage of Adblocker by user and drop in total Revenue of the company

b) Temporal antecedence – Adblocker ⟶ Revenue

c) No third factor driving both- there was no change in the websites, no new establishment of new company in market

Above points confirm that this problem was due to causation. Users were choosing ad blocker due to slower landing page, distractive experience while load a page, big banners on landing page. Which was resolved by Native Ads which increased user experience by Blending into website or app content like we have seen ads on social media like Instagram ads, Facebook ads

2. There are following tools we can apply for better understanding of business and user

a) A/B Testing would be a good tool for conducting this research because for user we can compare two version of landing page for different user so that we can see the click through rate and measure numbers of sales conversion. For business to create a better user experience by Optimizing the websites and apps so that user will have smooth experience and at same time companies can run ads and get monetize. More the number of users for A/B Testing more Accurate we will be to better landing page.

b) We should employ Mobile and website data analysis firms so that we can analyze the past data.

Strategy

Strategy

Describe your proposed strategy

Two strategies should be used to address the issue of the ad-blocker that GYF is facing:
1. Company directives
2. Strategies for business units
• Depending on how much the ad block issue affects them, business units are allowed to implement their own strategies.
• All of their tactics must, however, adhere to the guidelines provided by GYF in the web advertisement.

 Company Directives

 1. Adblock detection: The average annual percentage of Adblock users among viewers must be reported by each business unit. The business units are free to select from the options on the market, such as regular surveys, IAB detection scripts, and adblock detection software.

 2. Adherence to 'Better Ad Standards*': Each business unit needs to have a mechanism in place to examine the advertisements that their clients post to see if they adhere to the "Better Ad Standards" criteria and, if not, to remove or penalize them.

 3. Strategy success metrics: In order to build trust with their valuable consumers, each business unit must clearly identify its measures for determining the effectiveness of its plans.

Considering as reference for Adblocker's user data we can conclude that GYF has come Up with concreate strategy for Food, Drink, Business & Industrial segment of business unit GYF Digital media. Since they have highest number of adblocker user.

• Research shows that ad blocker usage varies significantly across website categories, with Food & Drink (24.91%), Business & Industrial (24.65%), Science (24.00%), Computers & Electronics (21.70%), and Autos & Vehicles (19.64%) showing the highest percentages. According to IAB research, the primary reasons users adopt ad blockers include disruptive ad experiences, slow page loading, privacy concerns, and content obstruction. Effectively addressing these concerns requires category-specific strategies that enhance user experience while preserving advertising revenue.

Reference: https://www.betterads.org/standards/

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Strategy
Describe your proposed strategy

Food & Drink (24.91%): Palatable Ad Experience Strategy

- Replace intrusive ads with native formats like sponsored recipes and cooking videos.

- Limit autoplay ads and emphasize "passive consumption" formats for mobile users.

- A/B test native formats to refine engagement metrics.

Barriers: High production costs and advertiser resistance.
Solutions: Partner with food brands, showcase improved ROI, and follow LEAN principles for non-invasive ads.

Business & Industrial (24.65%): Professional Value Exchange Framework

- Offer premium business tools, reports, and tiered content access for non-ad-blocker users.

- Implement transparent messaging linking ad revenue to high-value resources.
- Establish a "Business Contributor" program to fund industry-specific tools.

Barriers: Developing premium content valuable enough to disable blockers.
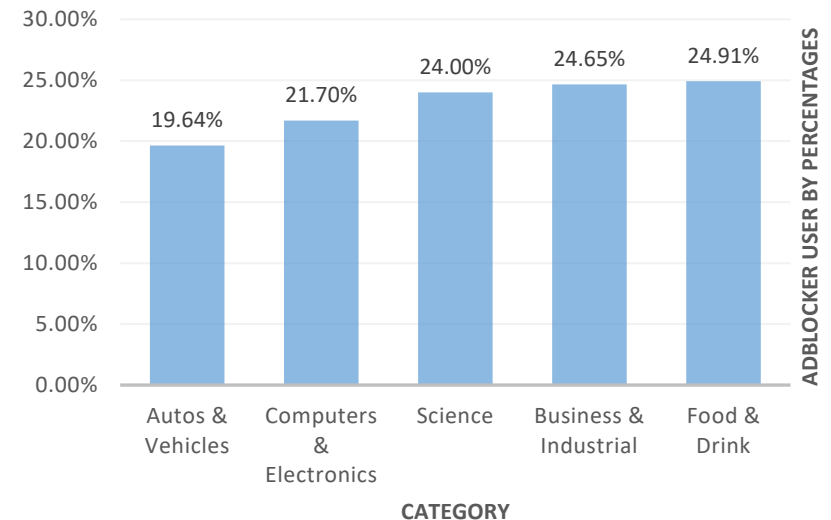**Solutions:** Partner with data providers, emphasize LEAN ad principles, and roll out progressively.

Science (24.00%):Barriers Intellectual Integrity Approach
- Prohibit ads promoting pseudoscience; prioritize static, non-distracting formats.
- Establish a Science Content Fund supported by ad revenue.
- Enable user controls for ad preferences and transparency in funding scientific advancement.
- Barriers: Audience scepticism toward advertising.
  Solutions: Transparent labelling of sponsored content and advisory board oversight.

Top 5 Categories by Percentages

Category	ADBLOCKER USER BY PERCENTAGES
Autos & Vehicles	19.64%
Computers & Electronics	21.70%
Science	24.00%
Business & Industrial	24.65%
Food & Drink	24.91%

Reference- https://www.adblockanalytics.com/insights/

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Strategy
Describe your proposed strategy

Computers & Electronics (21.70%): Tech-Optimized Advertising Protocol

- Implement lightweight, encrypted ad formats that don't impact page performance.

- Offer exclusive tech tools like product comparisons for non-ad-blocker users.

- Create a dashboard showcasing ad performance metrics to build trust.

Barriers: High technical expertise of the audience.
    Solutions: Involve privacy advocates, conduct third-party audits, and optimize server-side ads.

Autos & Vehicles (19.64%): Driver's Journey Enhancement

- Provide interactive tools like payment calculators and maintenance schedulers via native ads.

- Partner with manufacturers for exclusive offers integrated into content hubs.

- Use retargeting strategies to engage infrequent visitors via newsletters.

Barriers: Limited engagement due to infrequent visits.
    Solutions: Expand inventory programmatically and use email as an alternative channel

Autos & Vehicles (19.64%): Driver's Journey Enhancement

- Provide interactive tools like payment calculators and maintenance schedulers via native ads.

- Partner with manufacturers for exclusive offers integrated into content hubs.

- Use retargeting strategies to engage infrequent visitors via newsletters.

Barriers: Limited engagement due to infrequent visits.
    Solutions: Expand inventory programmatically and use email as an alternative channel

Strategy
Describe your proposed strategy

Conclusion: Measuring Success and Continuous Improvement

For GYF to successfully reduce ad blocker usage across these five categories, implementation must be accompanied by robust measurement and continuous improvement processes. The strategies outlined for each category address the specific concerns driving ad blocker adoption while creating sustainable revenue models that respect user preferences.

Success metrics should include category-specific ad blocker rates, whitelist conversion percentages, content engagement after whitelisting, and revenue recovery. GYF should establish a quarterly review process that evaluates the effectiveness of each category strategy and identifies opportunities for cross-category learning and optimization. By implementing these evidence-based approaches, GYF can create advertising experiences that users willingly accept while maintaining the revenue necessary to support quality GYF content creation across all five categories.

Ad Blocker Strategy Implementation Plan

Analytics-Driven Framework

Customer Analytics

- Implement user behavior tracking across platforms to understand ad blocker triggers

- Create category-specific user segments based on content consumption and ad tolerance

- Develop predictive models to identify users likely to enable ad blockers

- Use A/B testing to optimize ad experiences for each segment

Operations Analytics

- Deploy time-series and regression models to measure intervention effectiveness

Strategy
Describe your proposed strategy

- Create real-time dashboards tracking ad blocker rates and whitelist conversions
- Use machine learning algorithms to dynamically optimize ad formats
- Implement automated quality monitoring for LEAN compliance

Accounting Analytics

- Track key financial metrics: Customer Lifetime Value, Ad Yield Per User, Revenue Per Impression
- Develop predictive models connecting ad blocker reduction to revenue outcomes
- Monitor engagement metrics as leading indicators of financial performance
- Create ROI framework to measure strategy component effectiveness

People Analytics

- Structure cross-functional teams specialized by content category
- Prioritize candidates like Peggy Prospect with ad blocker mitigation experience
- Balance technical, creative, and domain expertise in team composition
- Establish performance metrics that encourage cross-category learning

Category Implementation Priorities

1. **Food & Drink**: Replace intrusive ads with native formats like sponsored recipes
2. **Business & Industrial**: Create value exchange with premium tools and content
3. **Science**: Focus on content integrity and transparent funding models
4. **Computers & Electronics**: Optimize technical performance of ad delivery

Strategy
Describe your proposed strategy

- **Autos & Vehicles**: Develop interactive tools integrated with native advertising

Success Metrics

- Reduce ad blocker usage by 15% within 12 months

- Achieve 25% whitelist conversion rate

- Recover 90% of revenue from previous ad blocker users

- Maintain user engagement within 5% of baseline

This implementation strategy balances immediate tactical interventions with sustainable long-term approaches, using continuous data

feedback to refine each category's approach.

Implementation

- GYF Business Services (GBS), an independent team, will monitor and approve the strategy metrics of each business units
- Budgets and technical support by GBS will be allocated based on the AdBlock detection report, robustness of better ads compliance system and strategy success metrics report.
- All the business units will be hand held on the company directives and realignment of their businesses according to the new strategy.
- GYF Food and Drinks will require Native food content integration for its Palatable Ad Experience .
- Advertisers will be trained to design the advertisements according to our business strategy and company requirements.
- GBS may conduct independent pan business unit end user researches to recommend corrections in the strategies from time to time.

Effects and Measurement

Effects

Describe the anticipated effects of your strategy

Anticipated Effects of GYF's Ad Blocker Mitigation Strategy

The proposed strategy to address the challenges posed by ad blockers to GYF's business model is expected to generate significant effects across multiple dimensions of the organization. By implementing a dual approach of company-wide directives and category-specific strategies, GYF aims to reduce ad blocker usage by 15% within 12 months and recover 90% of revenue from previous ad blocker users. This analysis examines the anticipated effects on customers, revenue streams, and internal organizational structure.

Effects on Customer Experience and Engagement

GYF's strategy is poised to transform how users interact with advertising across its digital properties, potentially reversing the trend of increasing ad blocker adoption which currently stands at 42% globally.

Enhanced User Experience Through Category-Specific Approaches

The strategy's tailored approach for different content categories directly addresses the primary user concerns driving ad blocker adoption. For Food & Drink users, replacing intrusive banner ads with native formats like sponsored recipes and cooking videos will create a more seamless content experience. Similarly, in the Computers & Electronics category, the implementation of lightweight, encrypted ad formats will reduce page load times and data usage – two key factors that have historically driven users to install ad blockers.

These improvements address the fundamental user complaints about ads causing websites to load more slowly, draining mobile device batteries, and consuming excessive data. By focusing on category-specific user needs, GYF can create advertising experiences that feel contextually appropriate rather than intrusive.

Value Exchange and Premium Content Access

The Professional Value Exchange Framework planned for the Business & Industrial category introduces a new relationship paradigm between GYF and its users. By offering premium business tools, reports, and tiered content access for non-ad-blocker users, GYF creates tangible incentives for users to whitelist their sites. This approach recognizes that business professionals are more likely to disable ad blockers when they perceive clear value in exchange.

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Effects

Describe the anticipated effects of your strategy

The transparent messaging linking ad revenue to high-value resources will help users understand the economic ecosystem supporting free content, potentially influencing their decision to use ad blockers. The strategy's goal of achieving a 25% whitelist conversion rate suggests that a significant portion of current ad blocker users may be willing to reconsider their stance when presented with this value proposition.

Increased User Control and Transparency
The Intellectual Integrity Approach designed for Science content gives users greater control over their advertising experience, enabling preferences selection and providing transparency in how advertising supports scientific advancement. This level of agency addresses the privacy concerns that have contributed to ad blocker adoption, as 42% of internet users worldwide now use some form of ad blocking, up 15% from 2020.

By prioritizing static, non-distracting formats and prohibiting ads promoting pseudoscience, GYF acknowledges that Science category users have specific expectations around content integrity. These measures are likely to build trust with a user segment that has shown high scepticism toward advertising.

Revenue Implications and Business Model Evolution
The strategy presents significant opportunities for revenue recovery and new business model development, critical given the projected increase in global ad blocking rates to surpass 50% by 2026

Recovery of Lost Advertising Revenue
Through the implementation of Better Ad Standards compliance mechanisms and the reduction of ad blocker usage, GYF aims to recover a substantial portion of its previously blocked advertising inventory. The target of recovering 90% of revenue from previous ad blocker users within 12 months represents an ambitious but potentially achievable goal, particularly in high-value categories like Business & Industrial and Computers & Electronics.

The category-specific approaches acknowledge that ad blocker usage varies significantly across website types (with Food & Drink at 24.91% and Business & Industrial at 24.65%), allowing for targeted revenue recovery strategies where they will have the most impact

Effects

Describe the anticipated effects of your strategy

Development of Alternative Revenue Streams
The strategy introduces several innovative alternatives to traditional display advertising. The Business Contributor program in the Business & Industrial category and the Science Content Fund represent potential new revenue channels that are less vulnerable to ad blocking technology. These approaches create sustainable funding mechanisms for content development while reducing dependence on traditional banner advertisements.

For the Autos & Vehicles category, partnerships with manufacturers for exclusive offers integrated into content hubs could generate revenue through affiliate relationships and sponsored content rather than display advertising alone. This diversification of revenue sources will help mitigate the financial impact of ad blocking, particularly important given that mobile advertising now accounts for 70% of GYF's total digital advertising revenue.

Enhanced Value Proposition for Advertisers
The implementation of robust analytics including user behaviour tracking, A/B testing, and real-time dashboards will provide advertisers with more valuable insights and performance metrics. This data-driven approach addresses a key problem identified in the search results – that ad blockers can interfere with tracking and analytics tools, leading to incomplete data that makes it challenging to evaluate campaign performance.[1]

By offering advertisers more targeted placements through native formats and category-specific solutions, GYF can potentially command premium prices for its advertising inventory, partially offsetting the revenue loss from blocked ads. The training program for advertisers to design advertisements according to the new business strategy will improve ad quality and effectiveness, enhancing advertiser satisfaction and retention.

Internal Organizational Transformation
The implementation of the strategy necessitates significant changes to GYF's organizational structure, operations, and culture.

Reference[1]- https://www.linkedin.com/pulse/impact-ad-blockers-digital-marketing-strategies-o2yoc

Effects

Describe the anticipated effects of your strategy

Evolution of Organizational Structure and Governance
The establishment of GYF Business Services (GBS) as an independent team to monitor and approve strategy metrics creates a new governance layer ensuring consistent implementation across business units. This structure balances centralized oversight with the flexibility for business units to implement category-specific strategies.

The allocation of budgets and technical support based on performance metrics creates accountability while providing resources where they can have the greatest impact on ad blocker reduction. This approach encourages innovation and effectiveness at the business unit level while maintaining strategic alignment.

Talent Development and Team Composition
The strategy calls for structuring cross-functional teams specialized by content category, requiring a balance of technical, creative, and domain expertise. This represents a significant shift from traditional advertising sales teams toward more integrated content and technology groups.

The prioritization of candidates with ad blocker mitigation experience signals a new talent acquisition focus. These specialized skills will be essential for implementing technical solutions like lightweight ad formats in the Computers & Electronics category or developing interactive tools for the Autos & Vehicles segment.

Analytics and Measurement Capabilities
The comprehensive analytics framework spanning customer, operations, accounting, and people analytics requires substantial development of GYF's data capabilities. The implementation of time-series and regression models to measure intervention effectiveness, predictive models connecting ad blocker reduction to revenue outcomes, and advanced user segmentation will transform how the organization utilizes data.

These enhanced analytics capabilities will enable GYF to continuously refine their approach based on performance data, supporting the goal of maintaining user engagement within 5% of baseline while reducing ad blocker prevalence. The real-time dashboards tracking ad blocker rates and whitelist conversions will provide unprecedented visibility into the effectiveness of interventions.

Effects

Describe the anticipated effects of your strategy

Cross-Functional Collaboration and Knowledge Sharing

The implementation strategy emphasizes cross-category learning and collaboration, breaking down potential silos between business units. This approach recognizes that successful tactics from one content category may be adaptable to others, creating opportunities for organizational learning and innovation.

Regular review processes and the ability for GBS to conduct independent pan-business unit research will foster a culture of continuous improvement and adaptation. This collaborative environment will be essential for responding to the rapidly evolving landscape of ad blocking technology, which has seen mobile ad blocking increase by 30% year-over-year since 2022.

Conclusion

The anticipated effects of GYF's strategy to address ad blocking present a comprehensive transformation of the company's approach to digital advertising. By focusing on creating better user experiences through category-specific strategies, GYF positions itself to recover significant lost revenue while developing more sustainable business models for the future.

For customers, the strategy promises less intrusive, more valuable advertising experiences that respect their concerns about page performance, data usage, and privacy. For revenue, the approach offers recovery of blocked impressions while developing alternative monetization channels less vulnerable to ad blockers. For the internal organization, the strategy drives structural changes, talent development, and analytical capabilities that will position GYF to thrive in an increasingly ad-blocked digital ecosystem.

The success of this strategy will ultimately depend on execution excellence and the ability to continuously adapt to changing user preferences and technological developments. However, the comprehensive approach addressing both the symptoms and root causes of ad blocker adoption provides a strong foundation for sustainable improvement in this challenging environment.

Effects

- *Provide an explanation of the calculations you performed to build an optimization model using decision variables, constraints, and an objective; this model could use the scenario in Application Exercise 3, or one of you own devising.*

Optimization Model on Training Program

Variable definition used:
Spending on Hard Skills/Internal = H/I
Spending on Hard Skills/External = H/E
Spending on Soft Skills/Internal = S/I
Spending on Soft Skills/External = S/E

Algebraic Statement
Objective: Maximize $0.2 * H/I + 0.7 * H/E + 0.6*S/I + 0.4*S/E$
Decision Variable : H/I, H/E, S/I S/E

Constraints:
1. Budget spending
$H/I + H/E + S/I + S/E <= US\$ * 65000$

2. Hard Skills requirement
$0.2* H/I+0.7* H/E >= US\$ * 20000$

3. Soft Skills requirement
$0.6*S/I+0.4* S/E >= US\$* 12000$

4. Internal & External Proportion
$(0.2* H/I+0.6* S/I) / (0.4* S/E+0.7\hat{ } * H/E)>=60\backslash\%$

According to the software tool (solver) analytics displayed in the appendix page, no training is required in the areas of hard skills (internal) and soft skills (external) in order to maximize the productivity return (obtained US$ 42,824 after calculation). On the other hand, the business should fund US$26,765 for internal soft skills training and US$38,235 for external hard skills training.

Nevertheless, in my view, 1) any modelling has the drawback of being unable to fully scope the correlation between predictor and objective, and 2) training programs are related to human resources, and since people are the result of dynamic change and growth, it may also be essential for employees to receive both internal and external training in hard skills. This is the scenario where combining analytics and specialists is crucial to achieving a better result for the company's goal.

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Effects

Application Exercise 3 – Designing a Deterministic Optimization Model

	A	B	C	D	E	F
1	Business Analytics Capstone					
2	Application Exercise 3					
3						
4	Net Productivity Increase (in $ per $ spent on training)				Total Net Productivity Increase	
5	Training	Hard Skills	Soft Skills		(in $ thousands)	
6	Internal	0.2	0.6		42823.53	
7	External	0.7	0.4			
8						
9	Spending Amounts (in $ thousands)					
10	Trainging	Hard Skills	Soft Skills			
11	Internal	0.00	26764.71			
12	External	38235.29	0.00			
13						
14						
15	Total Spending Budget (in $ thousands)	65000.00	<=	65000		
16	Productivity Increase in Hard	26764.71	>=	20000		
17	Productivity Increase in Soft	16058.82	>=	12000		
18	Productivity Increase Internal v. External	60.00%	vs	70.00%		
19	Productivity Increase Internal	16058.82				
20	Productivity Increase External	26764.71				
21						

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Measurement

Describe the anticipated effects of your strategy and how you will measure them

- *Please outline your plan for measuring these effects using data. Make sure you use techniques you learned about in the courses*

Ad Blocker Mitigation Strategy: Effects & Measurement Plan

1. **Strategy Context & Approach**

- **Current Challenge:** 42% global ad blocker usage, projected to exceed 50% by 2026

- **Revenue Impact:** 70% of GYF's advertising revenue comes from mobile platforms

- **Strategic Approach:**
  - Company-wide directives (adblock detection, Better Ads Standards)
  - Category-specific strategies for highest affected areas:
    - Food & Drink (24.91%)
    - Business & Industrial (24.65%)
    - Science (24.00%)
    - Computers & Electronics (21.70%)
    - Autos & Vehicles (19.64%)

2. **Anticipated Quantitative & Qualitative Effects**

- **Quantitative Targets:**
  - 15% reduction in ad blocker usage within 12 months
  - 25% whitelist conversion rate among current users
  - 90% revenue recovery from previous ad blocker users
  - User engagement maintained within 5% of baseline

Measurement

Describe the anticipated effects of your strategy and how you will measure them

- *Please outline your plan for measuring these effects using data. Make sure you use techniques you learned about in the courses*

- **Qualitative Effects:**
    - Enhanced user experience across all properties
    - Strengthened advertiser confidence
    - Cultural shift toward user-centric advertising
    - Cross-functional capability development

3. **Category-Specific Outcomes**

- **Food & Drink:** 20% increased viewability through native content integration

- **Business & Industrial:** 30% whitelist conversion through premium tool access

- **Science:** 40% reduced bounce rate via transparent ad funding model

- **Computers & Electronics:** 50% faster page loading with optimized delivery

- **Autos & Vehicles:** 45% higher conversion through interactive ad tools

4. **Multidimensional Measurement Framework**

- **Customer Analytics:**
    - User segmentation and A/B testing for ad format effectiveness
    - Predictive modelling for ad blocker adoption patterns

- **Operations Analytics:**
    - Time series analysis of ad blocker rates
    - Quality control for Better Ads Standards compliance

Measurement

Describe the anticipated effects of your strategy and how you will measure them

- *Please outline your plan for measuring these effects using data. Make sure you use techniques you learned about in the courses*

- **Accounting Analytics:**
  - Revenue impact analysis with attribution modelling
  - ROI calculations for strategy components

- **People Analytics:**
  - Cross-functional collaboration effectiveness
  - Skill gap analysis and performance metrics alignment

5. **Implementation Timeline & Key Metrics**

- **Phased Approach:**
  - Months 1-3: Baseline establishment
  - Months 4-6: Initial assessment
  - Months 7-9: Mid-term evaluation
  - Months 10-12: Final assessment

- **Primary Success Metrics:**
  - Ad blocker usage rate by category (Target: 15% reduction)
  - Whitelist conversion percentage (Target: 25%)
  - Revenue recovery rate (Target: 90%)
  - User engagement metrics (Target: within 5% of baseline)

Measurement

Describe the anticipated effects of your strategy and how you will measure them

6. **Success Factors & Challenges**

- **Critical Success Factors:**
    - Balance between revenue recovery and user experience
    - Cross-functional collaboration
    - Evidence-based decision-making

- **Anticipated Challenges:**
    - Data integration complexity
    - Attribution complexity with multiple interventions
    - User privacy concerns
    - Measurement bias

Measurement

Application Exercise 4 – Identifying Key Drivers

- *Apply the "causal business model" performance measurement framework to your strategy*

Measurement: Causal Business Model Framework

Applying Causal Analysis to GYF's Ad Blocker Strategy

1. **Strategy-Linked Hypothesis**

<div align="center">

Category-Specific Ad Improvements

↓

Improved User Experience

↓

Reduced Ad Blocker Adoption

↓

Increased Ad Inventory Availability

↓

Recovered Advertising Revenue

</div>

Key Causal Relationships:

- Better ad experiences improve user satisfaction

- Satisfied users less likely to install/use ad blockers

- Fewer ad blockers mean more viewable inventory

- More viewable inventory generates higher revenue

Measurement

Application Exercise 4 – Identifying Key Drivers

2. Key Drivers and Measurement Approaches

Driver	Measures	Measurement Approach
Ad Quality Improvement	• Better Ad Standards compliance • Page load time impact • User distraction ratings	• Automated compliance scanning • Performance monitoring • User experience surveys
User Experience	• Satisfaction scores • Time on page with ads • Bounce rate changes	• Random sample surveys • Engagement analytics • A/B testing
Ad Blocker Reduction	• Usage rate by category • Whitelist conversion rate • New installation rate	• IAB-certified detection • Site analytics • Quarterly surveys
Ad Inventory Increase	• Impression delivery rate • Fill rate for inventory • Ad viewability rate	• Ad server metrics • Viewability measurement • Lost impression recovery
Revenue Recovery	• Revenue per thousand (RPM) • Total ad revenue by category • Advertiser retention	• Financial system integration • Category revenue attribution • Client relationship metrics

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Measurement

- *Apply the "causal business model" performance measurement framework to your strategy*

3. Verifying the Causal Linkages

Analytical Approach:

- **Controlled Experiments:** A/B testing of category strategies with control groups

- **Statistical Validation:** Regression analysis to quantify relationships between variables

- **Implementation Monitoring:** Quarterly review cycles to identify breakdowns in the causal chain

Verification Process:

1. Deploy measurement tools across all stages of the causal model

2. Collect baseline data before strategy implementation

3. Track metrics during phased rollout

4. Perform statistical analysis to confirm relationships

5. Identify gaps where expected relationships aren't materializing

6. Refine strategies based on causal validation findings

- **Success = Verified Linkages Throughout the Entire Causal Chain**

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Conclusion

1. AdBlock Challenge & Research Insights

The AdBlock Problem:
- Ad blockers are rapidly growing (42% global usage; mobile ad blocking rising by 30% YoY) and threaten GYF's ad-driven revenue model.
- They disrupt advertiser–consumer connections, reduce the effectiveness of targeted marketing, and hamper revenue forecasting.

Core Challenges Across Analytics:

- **Customer Analytics:** Loss of behavioral data limits audience segmentation and performance insights.

- **Operations & Accounting Analytics:** Difficulty in forecasting adblock adoption and its revenue impact.

- **People Analytics:** Need for new talent and restructured teams to develop adblock-resistant strategies.

Research & Tools:

- Employed causal research (e.g., correlation, temporal antecedence) and A/B testing to pinpoint issues and test solutions (such as native ads) for enhancing user experience.

2. Strategic Response, Expected Effects & Implementation

- **Dual-Strategy Approach:**
- **Company Directives:** Implement adblock detection, enforce "Better Ad Standards," and establish clear success metrics.
- **Category-Specific Tactics:**
    - **Food & Drink:** Transition to native formats (e.g., sponsored recipes).
    - **Business & Industrial:** Create a value exchange with premium content and tools.
    - **Science, Computers & Electronics, Autos & Vehicles:** Tailor ad formats to address unique user concerns (e.g., performance, privacy, interactivity).

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Conclusion

Anticipated Outcomes:
- Aim to reduce ad blocker usage by 15%, achieve a 25% whitelist conversion rate, and recover up to 90% of previously blocked revenue.
- Enhance user experience by mitigating ad-related issues (slow load times, battery/data drain).

Implementation & Continuous Improvement:
- Use real-time dashboards, predictive models, and cross-functional teams (e.g., GYF Business Services) to monitor performance and adapt strategies continuously.

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