AD VANTAGE

JUN ZHANG

MOBILE AD MONETIZATION OPTIMIZER

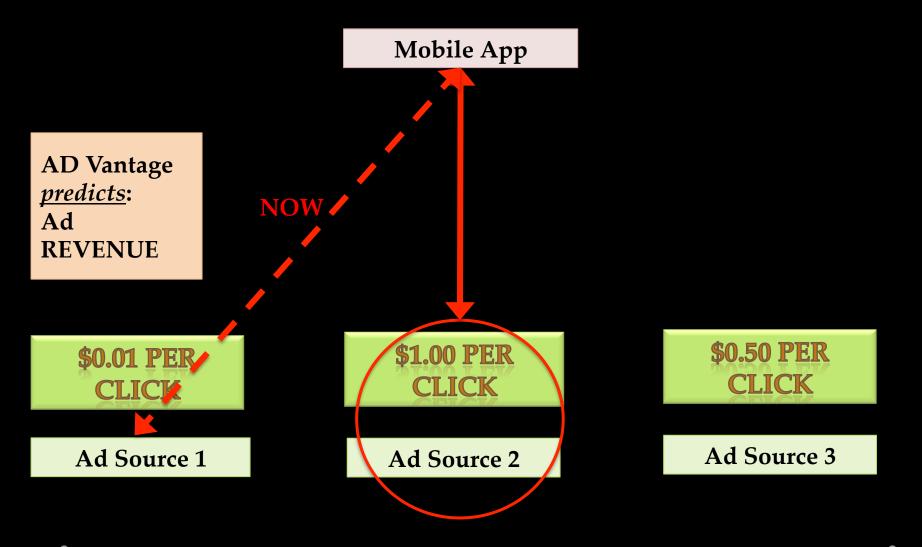
Objective

• Allow mobile apps to predict the revenue of the next ad it will receive from an ad source.

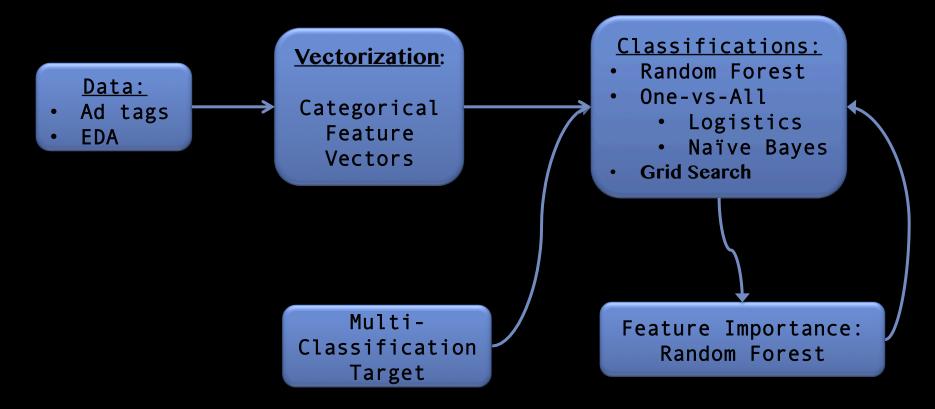




How do Mobile Apps get ads?



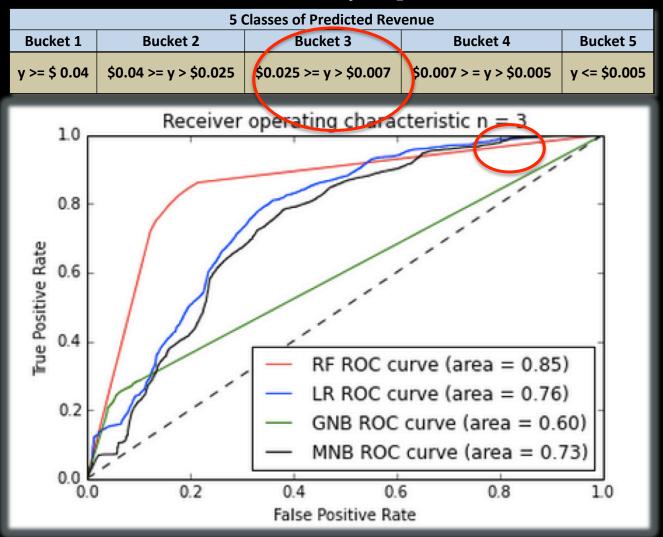
Process Overview



5 Classes of Predicted Revenue							
Bucket 1	Bucket 2	Bucket 3	Bucket 4	Bucket 5			
y >= \$ 0.04	\$0.04 >= y > \$0.025	\$0.025 >= y > \$0.007	\$0.007 > = y > \$0.005	y <= \$0.005			

ROC Plot

Random Forest: 79% accuracy. Optimal trees=8.



Cross-Validation

Random Forest Confusion Matrix

	5 Classes of Predicted Revenue						
	Bucket 1	Bucket 2	Bucket 3	Bucket 4	Bucket 5		
Actual Revenue	y >= \$ 0.04	\$0.04 >= y > \$0.025	\$0.025 >= y > \$0.007	\$0.007 > = y > \$0.005	y <= \$0.005		
Bucket 1	3840	141	645	49	191		
Bucket 2	137	1573	384	134	85		
Bucket 3	735	445	4817	85	694		
Bucket 4	52	148	98	2413	0		
Bucket 5	220	71	778	0	6844		

F1 Scores from Random Forest							
Bucket 1	Bucket 2	Bucket 3	Bucket 4	Bucket 5			
0.77969543	0.67064592	0.71373537	0.89502967	0.87035035			

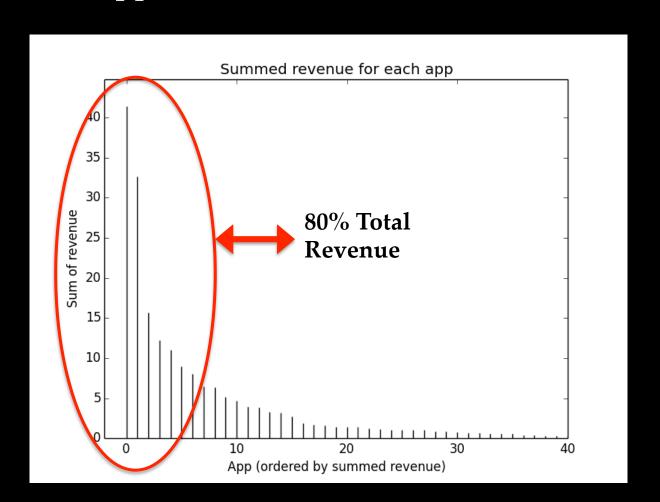
Next Steps

More data and more time, more magic:

- A/B testing, revenue lift.
- More device history:
 - Use Device ID to create user session feature.
 - Establish user history to form behavior pattern.
- Improve accuracy, more granular preprocessing.
- Combine models.

Next Steps

Most importantly, <u>Core Revenue Segment</u>: Location, App, Device.



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