AUTO-OPTIMIZATION BOOTCAMP: CPA GOAL 2.0

BEGINNER-FRIENDLY!
Our experts

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CPA Goal 2.0

What’s the issue?

- People don’t know what it is
- Not sure how it works
Our agenda

● What is CPA Goal 2.0
● **How it works:** What’s under the hood
● **Case studies** and examples
● **Optimization period** & what does it depend on?
● **How to set a CPA Goal** – a simple step-by-step
● **Best practices** – what to do and what not to do
● **Summary**
● Q&A session
What is CPA Goal 2.0
CPA Goal 2.0 is a bidding algorithm that allows you to get the maximum amount of traffic which converts at a specified price. This model:

- Provides you the **best performing traffic**
- **Buys out** as much of it as possible
- Is not strictly tied to **conversion price** – acts smart
Why CPA Goal 2.0 is cool
How it works: what’s under the hood
What impacts the impression cost

- Ad Placement / Zone
- OS
- Device Type
- Device Model
- View #
- GEO
- Provider
- Connection Type
What is conversion rate

1000 impressions: Brazil, Android, 3G, 2nd view

CR = 2/1000

1000 impressions: US, iPhone, Wifi, 1st view

CR = 5/1000
How an auction works
You got impressions 1-6
Each impression has a different CR

<table>
<thead>
<tr>
<th>CR</th>
<th>00.00</th>
<th>20.00</th>
<th>18.00</th>
<th>16.00</th>
<th>14.00</th>
<th>12.00</th>
</tr>
</thead>
<tbody>
<tr>
<td>Zone A</td>
<td>0 CR</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Zone B</td>
<td>1/500 CR</td>
<td>1/150 CR</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Zone B</td>
<td></td>
<td></td>
<td>1/150 CR</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Zone A: 0 CR
Zone B: 1/500 CR, 1/150 CR

CPA Goal 2.0
Your CPM is 2.5 c
CPM model will buy you impressions 1, 3, 4, 6
But only impressions 3, 4 have actual value
CPA Goal 2.0 buys impressions 2, 4, 5

- CPM = 2.8
  - Zone B 1/150 CR
  - Zone B 1/500 CR

- CPM = 4.2
  - Zone B 1/100 CR

- CPM = 0
  - Zone A 0 CR
All of those impressions have value and convert
The main issues with manual optimization

- Requires you to set the CPM bid **for each type of impressions** (and there are tons of combinations!)
- You must **manually blacklist all** underperforming zones

Summary: **Impossible**
Case Studies and Examples
Case studies – CPM / SCPM campaign

- CPA Goal 2.0

- CPM Rate = 10$
- Much less traffic
- (!) Goal example

<table>
<thead>
<tr>
<th>ID</th>
<th>Zone</th>
<th>Impressions</th>
<th>Conversions</th>
<th>Revenue</th>
<th>CPM</th>
<th>CPR</th>
<th>INFO</th>
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</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Totals (219):</td>
<td>6,991</td>
<td>16</td>
<td>$69,91</td>
<td>10.00</td>
<td>4.37</td>
</tr>
<tr>
<td>2</td>
<td>S1</td>
<td>2,875</td>
<td>9</td>
<td>$26.75</td>
<td>10.00</td>
<td>2.97</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>S1</td>
<td>630</td>
<td>2</td>
<td>$6.30</td>
<td>10.00</td>
<td>3.15</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>S1</td>
<td>617</td>
<td>1</td>
<td>$6.17</td>
<td>10.00</td>
<td>6.17</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>S1</td>
<td>394</td>
<td>0</td>
<td>$3.94</td>
<td>10.00</td>
<td>0.00</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>S1</td>
<td>277</td>
<td>0</td>
<td>$2.77</td>
<td>10.00</td>
<td>0.00</td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>S1</td>
<td>181</td>
<td>0</td>
<td>$1.81</td>
<td>10.00</td>
<td>0.00</td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>S1</td>
<td>173</td>
<td>1</td>
<td>$1.73</td>
<td>10.00</td>
<td>1.73</td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>S1</td>
<td>134</td>
<td>0</td>
<td>$1.34</td>
<td>10.00</td>
<td>0.00</td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>S1</td>
<td>125</td>
<td>1</td>
<td>$1.25</td>
<td>10.00</td>
<td>1.25</td>
<td></td>
</tr>
<tr>
<td>11</td>
<td>S1</td>
<td>124</td>
<td>0</td>
<td>$1.24</td>
<td>10.00</td>
<td>0.00</td>
<td></td>
</tr>
<tr>
<td>12</td>
<td>S1</td>
<td>123</td>
<td>0</td>
<td>$1.23</td>
<td>10.00</td>
<td>0.00</td>
<td></td>
</tr>
<tr>
<td>13</td>
<td>S1</td>
<td>113</td>
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<td>$1.13</td>
<td>10.00</td>
<td>0.00</td>
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<tr>
<td>14</td>
<td>S1</td>
<td>111</td>
<td>0</td>
<td>$1.11</td>
<td>10.00</td>
<td>0.00</td>
<td></td>
</tr>
</tbody>
</table>
Case studies - CPA Goal 2.0 campaign

- CPA Goal = 1$
- Pay attention to CPM
- This campaign works better than goal
Case studies — many factors are taken into account

- There are many factors that are optimized – not only zones
- So it’s unfeasible to repeat it manually
Optimization Period
Optimization period

1. For the algorithm to work, we need to predict CR for each impression
2. It’s done with the help of the optimization period
3. This is what happens:
   a. The model familiarizes itself with YOUR campaign
   b. It analyzes how it converts on each impression (which has multiple parameters!)
   c. It predicts the CR for each impression based on your campaign performance
   d. Sets the bids dynamically based on analytics
Optimization period

Conversion price

Impressions

CPA Goal 2.0
Optimization period: how it looks

<table>
<thead>
<tr>
<th>Campaign ID</th>
<th>Campaign Name</th>
<th>Impressions</th>
<th>Clicks</th>
<th>Visits</th>
<th>Engaged visits</th>
<th>Conversions</th>
<th>CTR</th>
<th>Visits, %</th>
<th>Engaged visits,</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>6,051</td>
<td>15</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0.24%</td>
<td>0%</td>
<td>0%</td>
</tr>
</tbody>
</table>

Stats by

- Zones
- Creatives
- Device Type
- Device
- Browser
- Mobile ISP
- Connection
- OS Version

Exclude Zones

Traffic type: All

<table>
<thead>
<tr>
<th>Zone ID</th>
<th>Impressions</th>
<th>Clicks</th>
<th>Visits</th>
<th>Engaged visits</th>
<th>Conversions</th>
<th>CTR</th>
<th>Visits, %</th>
<th>Engaged visits,</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>PropellerAds</td>
<td>873</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>0.11%</td>
<td></td>
<td>0%</td>
</tr>
<tr>
<td></td>
<td>PropellerAds</td>
<td>855</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>0.11%</td>
<td></td>
<td>0%</td>
</tr>
<tr>
<td></td>
<td>PropellerAds</td>
<td>614</td>
<td>3</td>
<td>0</td>
<td>0</td>
<td>0.48%</td>
<td></td>
<td>0%</td>
</tr>
<tr>
<td></td>
<td>PropellerAds</td>
<td>531</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0.48%</td>
<td></td>
<td>0%</td>
</tr>
<tr>
<td></td>
<td>PropellerAds</td>
<td>429</td>
<td>3</td>
<td>0</td>
<td>0</td>
<td>0.69%</td>
<td></td>
<td>0%</td>
</tr>
<tr>
<td></td>
<td>PropellerAds</td>
<td>397</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0.69%</td>
<td></td>
<td>0%</td>
</tr>
<tr>
<td></td>
<td>PropellerAds</td>
<td>186</td>
<td>2</td>
<td>0</td>
<td>0</td>
<td>1.07%</td>
<td></td>
<td>0%</td>
</tr>
</tbody>
</table>
How to set up CPA Goal
CPA Goal 2.0: Where to find it*

Choose Advertising Format

- **OnClick (Popunder)**
  Traditional onclick full-tabs with high visibility and wide reach.
- **Push Notifications**
  Create a notification with a catchy offer and a vivid banner image.
- **Interstitial**
  Non full-screen banner overlaying content.

Pricing Model

- **CPA Goal 2.0**
- **CPM**
- **SmartCPM**
- **SmartCPA**

* Available for Popunder / Onclick
Setting the conversion price

**Countries & Conversion Price**

**Conversion type**
- Install

Conversion happens when the product is installed / opened (apps, extensions, or software for mobile or desktop)

**Countries**
- Aland Islands

**CPA Goal, $**
- 0.024

Based on our experience, we recommend setting Conversion Price as 70-80% of your CPA network's payout. This will speed up the process of finding the most relevant traffic sources.
Why do you need to choose Conversion Type?

<table>
<thead>
<tr>
<th>Conversion type</th>
</tr>
</thead>
<tbody>
<tr>
<td>Select type</td>
</tr>
<tr>
<td>Install</td>
</tr>
<tr>
<td>Single Opt-In (1 step)</td>
</tr>
<tr>
<td>Double Opt-In (2 steps)</td>
</tr>
<tr>
<td>Complicated conversion</td>
</tr>
</tbody>
</table>

- Correct conversion type selection helps the algorithm *better optimize* your campaign
- The system will find converting *zones faster*
Important: S2S Tracking

S2S tracking is **crucial**, otherwise our system won’t be able to optimize the campaign.

**Conversion Tracking**

Set up S2S tracking to see conversions in your statistics. The S2S Postback URL that you will generate here can be used in all your campaigns. [Read more]

**Select a tracker or a CPA network**

![Select another tracker](image)

**Copy this S2S Postback URL and paste to the relevant field in your Voluum account**

http://ad[propellerads.com/conversion.php?aid=28584&pid=&tid=62321&visitor_id=(externalid)&payout={payout}

[Read Voluum integration help]
Best practices
How to set a CPA Goal?

How much you’re willing to spend (CPA offer payout – % Your revenue)

**Start with the maximum amount** – this way, you’ll get the most accurate test results and max eCPM

If you go **over budget** (can happen) – reduce the CPA Goal by 10-20%

If the over-budget expenses are SO significant that you have to **reduce the rate by 50%**, you might have issues with your campaign: check the targeting, links, tracking, LPs, etc

The **higher the CPA Goal**, the higher the over-budget expenses can get
Which CPA Goal campaigns perform best?

Targeting a few countries

Min & Max CPA Goal rates shouldn’t differ by more than 2 times

Got white / blacklists? Or exact ISPs? Use it in your targeting
Summary
CPA Goal 2.0: key benefits

- Smart, high-tech, automated optimization algorithm
- Simple setup in the SSP platform
- Intuitive and user-friendly
- Enhanced performance and ROI compared to traditional CPM
- Lots of best practices to launch CPA Goal 2.0 campaigns
Thank You for attending!

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