



Workshop on Unified Pricing Rules



Sept 4th 2020

The team



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Making the most of this workshop



Please **mute** when not speaking



Use the **Chat function** freely

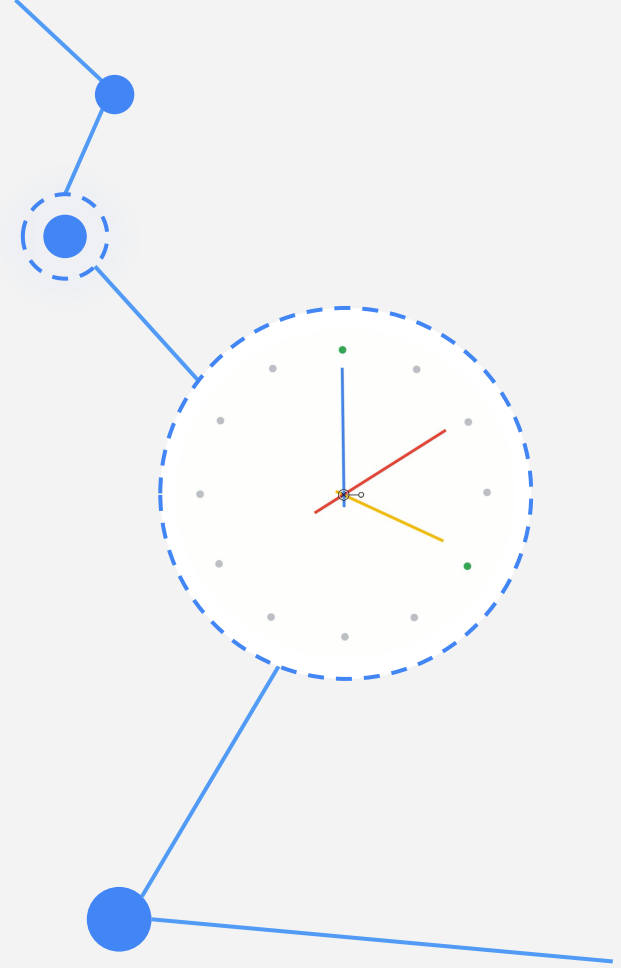


Live Q&A at the end of the session

The **materials** will be shared at the end of the training

Agenda

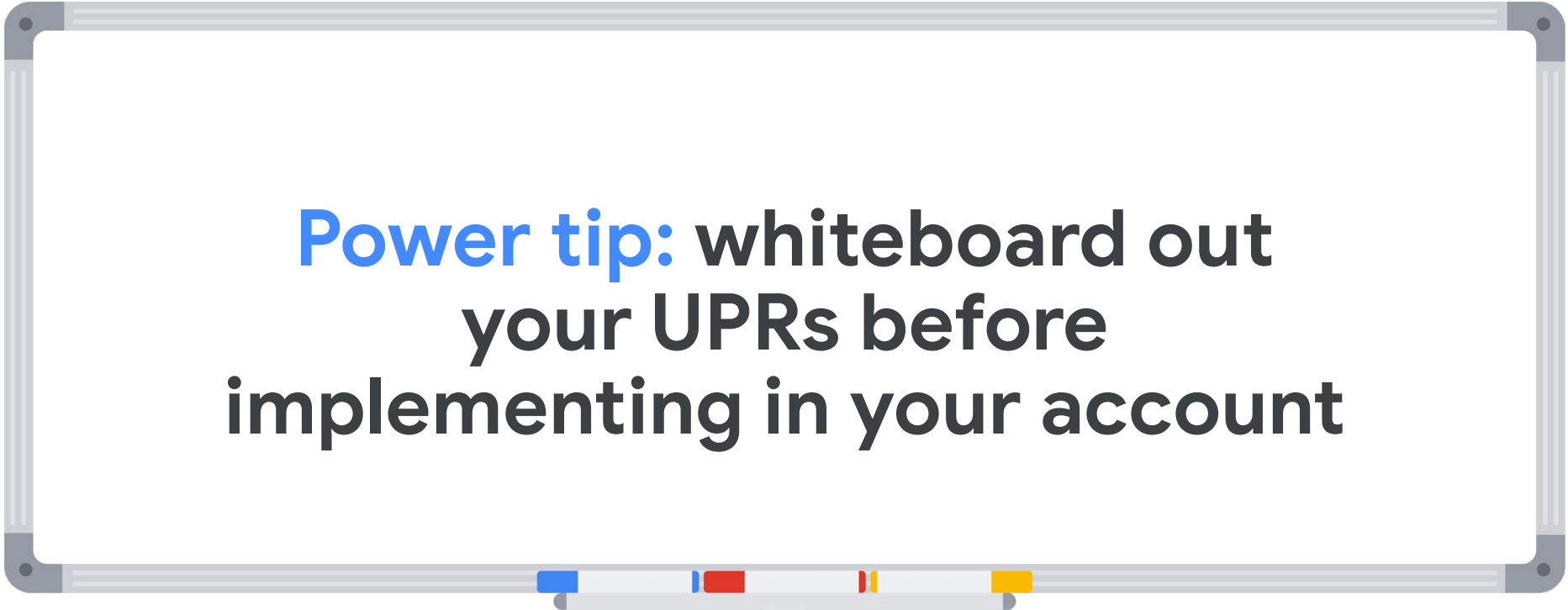
1. How do UPRs Work
2. Best Practices
3. Target CPM
4. Use Bid Insight Cards
5. Analyzing the Pricing Card
6. How to A/B test pricing floors



How do UPRs Work?

Priorities

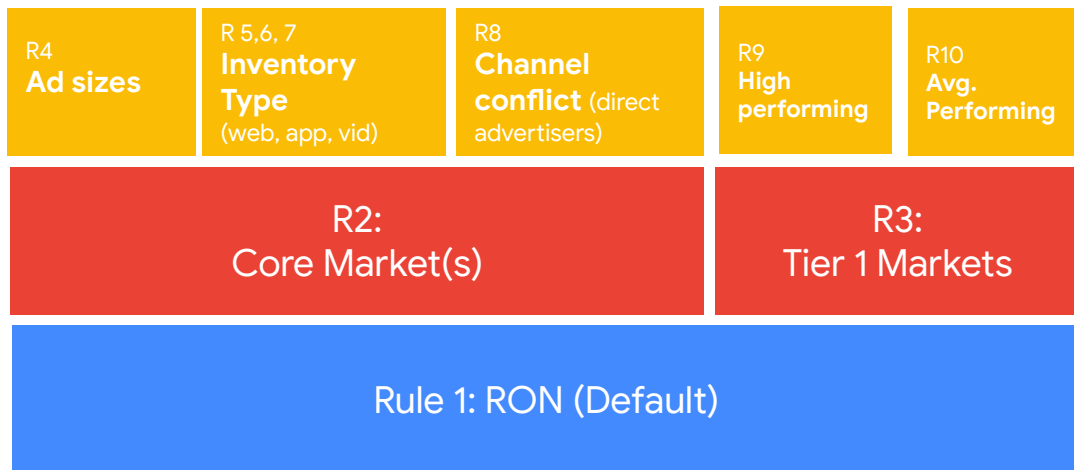
Proprietary + Confidential



Power tip: whiteboard out
your UPRs before
implementing in your account

Define the structure of your UPRs

Best Practice: use a broad to narrow targeting approach & have consistent naming



Higher floors

\$\$\$

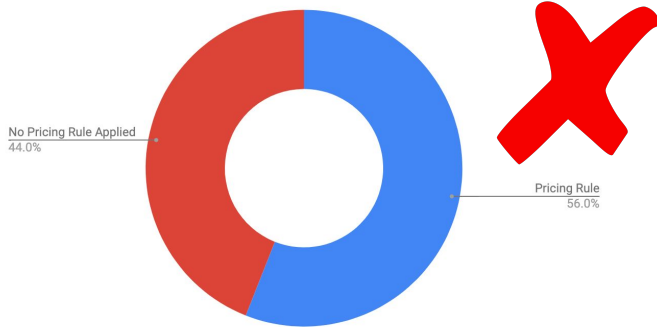
\$

Lower floors

Create a RON - Default Rule

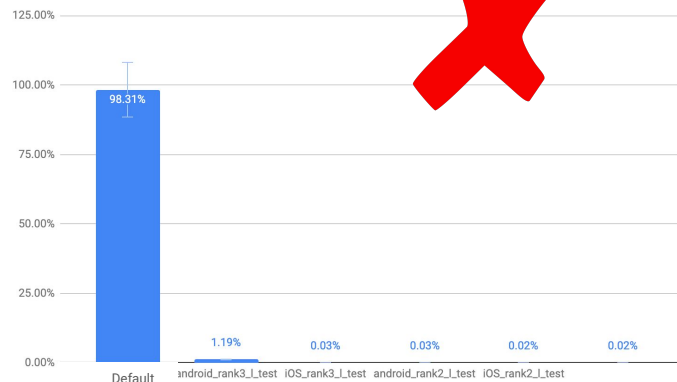
A

Unified Pricing Rules | Impressions Distribution [Last 7 Days]



B

Impressions Distribution by UPR (%) [Last 7 Days]

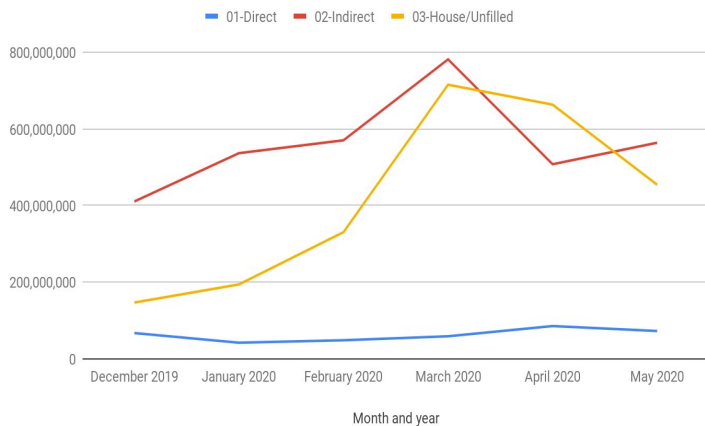


A) Create RON rule. It should function as a “catch-all” rule to potentially reduce no pricing rules applied

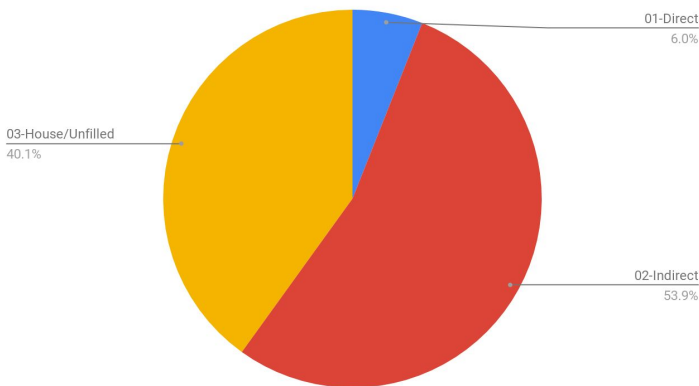
B) Allow RON to capture low value inventory & <50% of the demand to ensure other Rules are effective

Avoid Frequent Changes & Increases of Base Floors

Impressions by Channel - MOM



Distribution Impressions by Channel - YTD



Changes Applied to UPR: Wait at least 2-4 weeks before drawing conclusions. Buyers will take time to adjust. Increasing floors must be monitored more closely.

Best practice

Troubleshoot line items regularly



Troubleshoot line items regularly

See which line items are affected by your unified pricing rules.

- Click into your Pricing rules tab and select a rule.
- Scroll to the bottom to see how many line items are affected. Click the link.
- This will open up a page showing all the affected line items. Sort line items by impressions to review high priority line items.

Pricing



Set floor prices

The lowest winning bid must be at least as high as the floor price



Set target CPMs

Floor prices are dynamic but average CPM over time targets the chosen CPM

Branded € 2.00

Affected remnant line items

There are **157 line items** below the floor price set in this rule. [Total line items shown only considers floor price and not targeting.](#)

All line items

My line items

Delivering

Ready

Paused

Starred

Programmatic

More

Line items

Select line items from a table to take the following actions - Edit, Pause, Resume, Copy, Release inventory, Archive, and Add existing creative

DISMISS

new order

Forecasting

Export line items

Rate (EUR) in range (0.000001, 3)Type is any of [Price priority, Bulk, Network]Status is any of [Ready, Delivery extended, Delivering]Add new filter

Name

Status

Type

Start time

End time

Progress

Rate

Goal

Impressions

Remainder

Weborama > Weborama Campaigns > Web_Homepage_300x250_UK ID: 36398021 | 300x250

Ready

Price priority

May 17, 2012 11:13 AM | GMT+1

Unlimited

0

€1.00 CPM

Unlimited imps

0

Click to sort by impressions

Network A > Adnetwork A > FR-300x250 ID: 64130381 | 300x250, 200x446

Ready

Network

Jul 5, 2012 11:17 AM | GMT+1

Unlimited

0

€0.50 CPM

100% imps

0

Needs creatives

Tribal Fusion > Tribal Fusion campaign ID: 126366821 | 468x60

Ready

Price priority

Feb 18, 2014 10:24 AM | GMT

Unlimited

0

€0.80 CPM

Unlimited imps

0

Google > Matt_Test_Noogler Order >

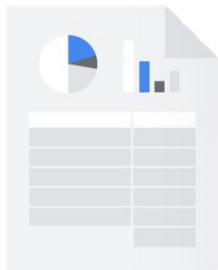
Best practice

Run frequent reports



How to report

Proprietary + Confidential



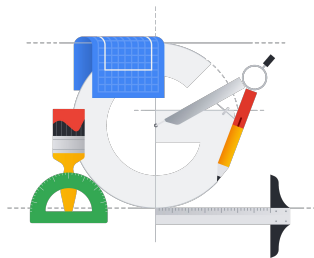
Select “Historical report” and select “Unified Pricing rule”.



Monitor performance over time with the “Date” dimension.



See which line items your UPRs are applying to by adding “Line item type” or “Demand channel”.



Select the metrics you’d like to view.

How to report

Dimensions

Make a selection to save (up to 10)

Search

1 selected

CLEAR ALL

All available

Recently used

Custom dimensions

Delivery

Geography

Inventory

Mediation

Native

Platform

Time unit

Users

Video

Yield group

☐ Delivery Line item type

☐ Delivery Master and Companion creative

☐ Delivery Optimization type BETA

☐ Delivery Order

☐ Delivery Payment profile

☐ Delivery Programmatic buyer

☐ Delivery Programmatic channel

☐ Delivery Serving restriction

☒ Delivery Unified pricing rule BETA

☐ Delivery Verified categories

☐ Delivery Yield partner

☐ Delivery Yield partner (classified)

☐ Delivery Yield partner tag

=

Delivery Unified pricing rule

×

Search

3 selected

CLEAR ALL

All available

Recently used

Custom dimensions

Delivery

Geography

Inventory

Mediation

Native

Platform

Time unit

Users

Video

Yield group

☐ Delivery Creative Technology

☐ Delivery Creative size DEPRECATED

☐ Delivery Creative size (delivered) BETA

☐ Delivery Creative type

☒ Delivery Demand channel

☐ Delivery Impression counting method BETA

☐ Delivery Inventory bundle OVERLAP

☐ Delivery Line item

☒ Delivery Line item type

☐ Delivery Master and Companion creative

☐ Delivery Optimization type BETA

☐ Delivery Order

☐ Delivery Payment profile

=

Delivery Unified pricing rule

×

=

Delivery Line item type

×

=

Delivery Demand channel

×

**What if I see
“No pricing rule
applied”?**



Why am I seeing “No pricing rule applied”?

- The impression went unfilled
- No unified pricing rule matched the request
- Not eligible for auction (Standard, Sponsorship, or House line item won)
- Multi-size request

X Mar 6, 2020 4:09:17 PM - Completed ▾		
Total rows ⓘ	Start date	End date
23	3/5/2020	3/5/2020
EDIT ⓘ	EXPORT RESULTS ▾	SHARE
Unified pricing rule ⓘ	Total impressions ⓘ ↓	Total average eCPM ⓘ
(No pricing rule applied)	44,230,769	\$2.59
Floor 1	26,784,245	\$5.13
Floor 2	1,257,864	\$8.54
US floor	920,845	\$7.35
Advertiser floor	787,323	\$5.39
Floor 3	361,333	\$6.64
Floor 4	293,978	\$12.96
Brand floor	187,813	\$7.01

What if I want to block certain rules? NOT in UPRs!

Blocking Rules -> Protections

× New protection

Protection name

New protection

Inventory type ⓘ

Apply to all inventory types ▾

Targeting

Select which inventory you wish to protect

☐ Protect all inventory

☒ Only protect specified inventory

Protections > Protections

ADD TARGETING

Blocks ⓘ

Block the following types of ads from appearing

Ad experiences ⓘ

ADD

Advertisers/Brands ⓘ

ADD

General categories ⓘ

ADD

Which demand sources do UPRs apply to?



APPLY TO

1. Bulk, Price Priority, Network LI > 0\$
2. Open Auction
3. Open Bidding
4. Private Auction
5. First Look



DO NOT APPLY TO

1. Bulk, Price Priority, Network LI = 0\$
2. Standard LI
3. Sponsorship LI
4. House LI
5. Preferred Deals
6. Mediation Networks
7. Adsense Backfill

Useful Considerations on UPRs

- UPRs can be specified for different inventories at advertiser, brand, size or creative type level.
- Pricing rules may have multiple price floors specified (i.e. multiple 'sub-rules' are under a pricing rule). This is usually not recommended.
- The best practice is to **log different floors in different rules** to improve monetization tactics and really understand which floors are working well.

The screenshot shows the 'Pricing' configuration page in Google Ad Manager. At the top, there are two radio buttons: 'Set pricing for everything' (unselected) and 'Set pricing for specific items' (selected). Below this is a section titled 'Pricing options for specific items' with a close button (X). It contains three rows, each with a label, a value, and an edit icon (pencil): 'Advertisers and brands' with 'Any advertiser or brand', 'Sizes' with 'Any size', and 'Creative types' with 'Any creative type'. A red error message states 'At least one selection must be made'. Below this is another 'Pricing' section with two radio buttons: 'Set floor prices' (unselected) and 'Set target CPMs' (selected). The 'Set target CPMs' option has a sub-note: 'Floor prices are dynamic but average CPM over time targets the chosen CPM'. At the bottom of this section is a 'Branded' checkbox (checked) and a '€ 0.00' input field. A second, identical 'Pricing' section is visible below the first one.

Target CPM

Floor Price vs Target CPM

Target CPM adjusts pricing rules to improve performance.

Floor Price vs Target CPM:

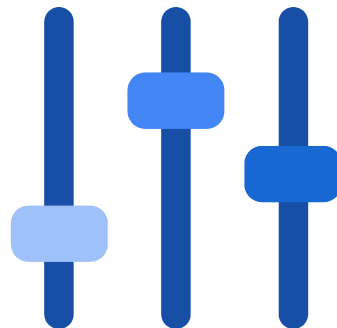
- **Floor Price:** sets a minimum CPM for your inventory.
- **Target CPM:** sets a minimum average CPM for your inventory.

Pricing

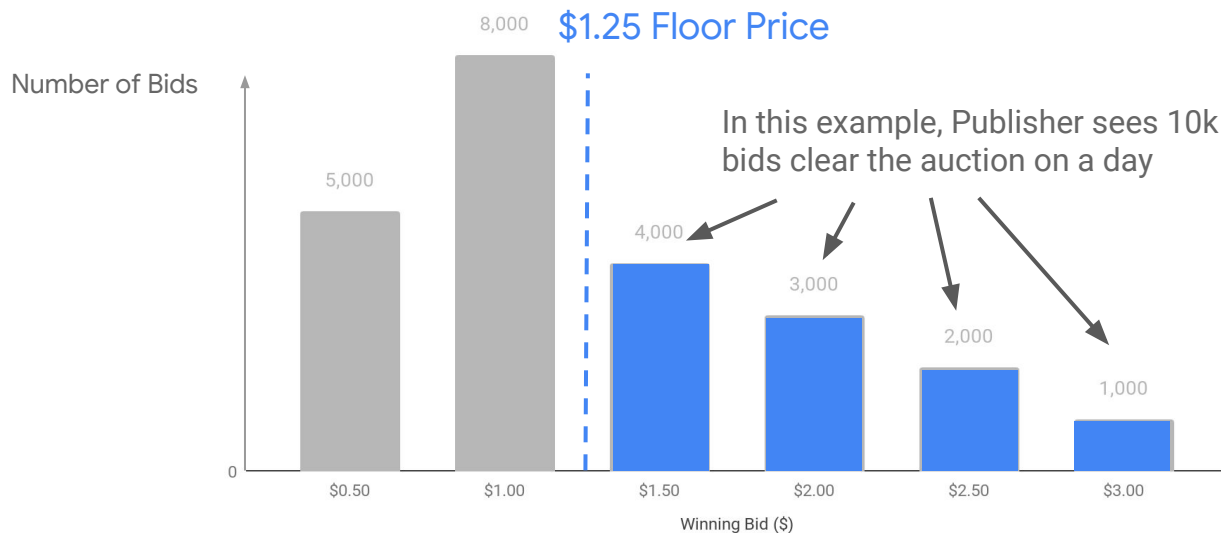
☐ Set floor prices
The lowest winning bid must be at least as high as the floor price

☒ Set target CPMs ⓘ
Floor prices are dynamic but average CPM over time targets the chosen CPM

Branded € 0.00



How it works... the traditional way of specifying a pricing rule (floors)

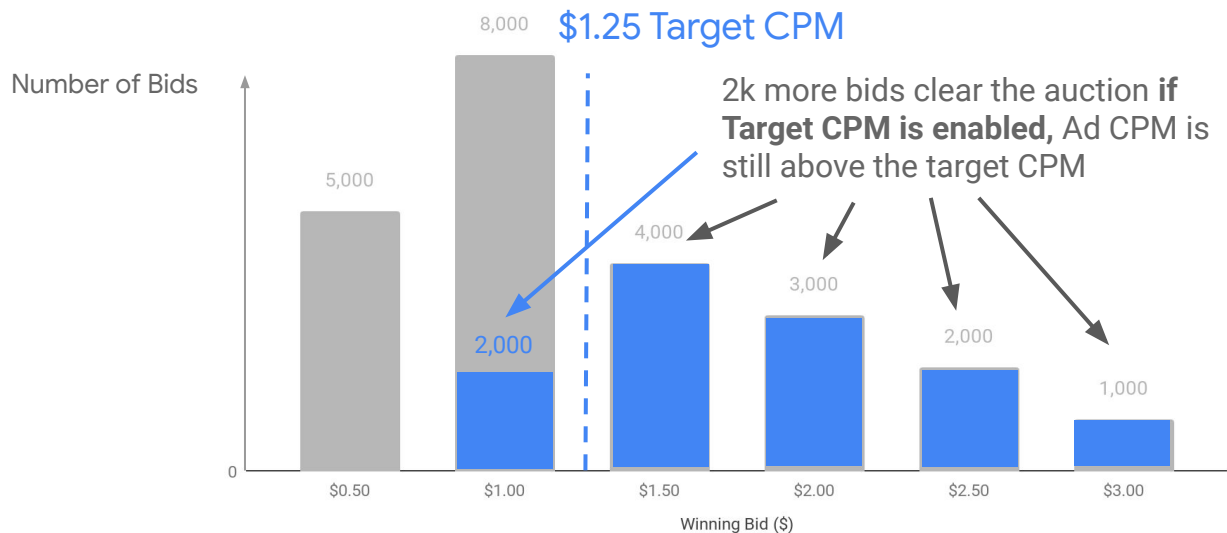


Revenue
\$20k

Ad CPM
\$2.0

With Floor price there is no flexibility to clear any query below the specified floor.

How it works... with Target CPM



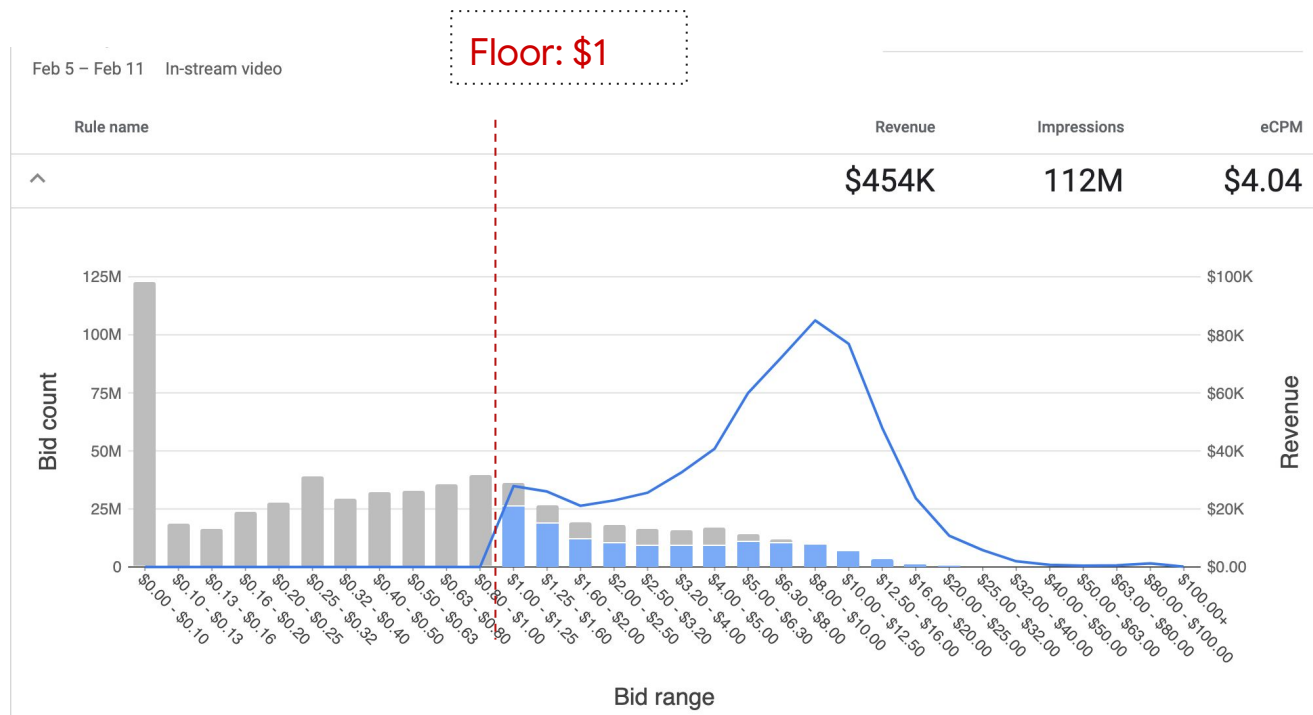
Revenue
\$22k (+10%)⁽¹⁾

Ad CPM
\$1.8

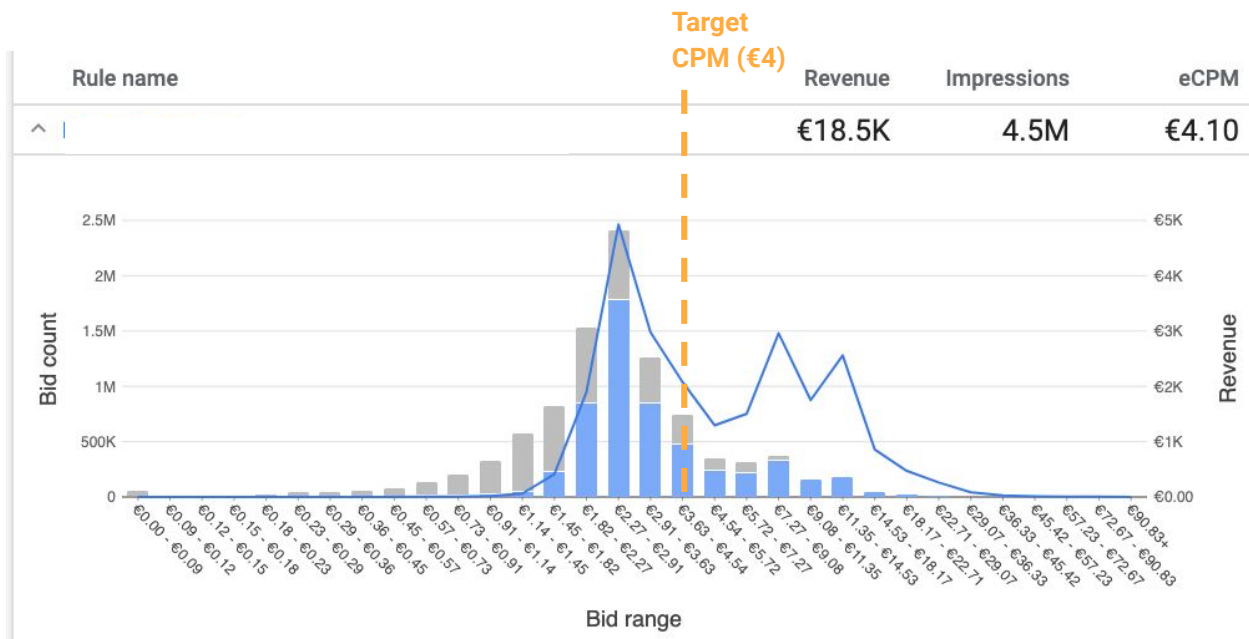
When enabled, Target CPM dynamically changes floor prices allowing additional queries to clear, while maintaining min CPM you specified.

(1) Note: this is an illustrative example, actual realized revenue lift will vary

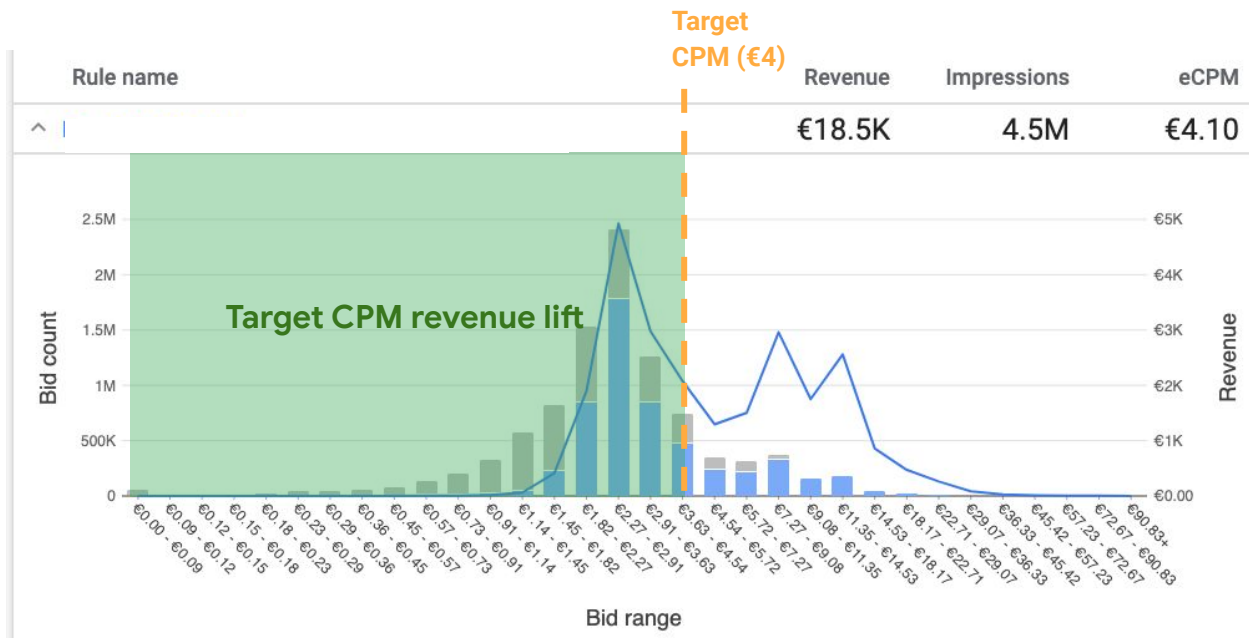
Real life bid insight card example: Floor price



Target CPM...in action



Target CPM...in action



- Target CPM allows publisher to capture significant **incremental revenue** that would otherwise be missed
- Does not compromise **avg eCPM** on the inventory, which remains **above this target price** (\$4.0 in this example)
- Easily report aggregated Target CPM revenue lift via Optimization Type dimension in Ad Manager Historical report

Use Bid Insight Cards

Bid Insight Card : Home -> Overview -> Pricing rules

Top 5 rules by revenue are shown by default, but you can search by Rule

Pricing rules ?				
Nov 1 - Dec 31 All inventory		Search pricing rules		
Rule name		Impressions	Revenue	eCPM
▼ (No pricing rule applied)		2.61B	\$9.38M	\$3.60
▼ Pricing rule 1		1.56B	\$3.37M	\$2.16
▼ Pricing rule 2		830M	\$1.64M	\$1.98
▼ Pricing rule 3		36.9M	\$615K	\$16.67
▼ Pricing rule 4		108M	\$415K	\$3.84
15 ROWS AVAILABLE FOR SEARCH				

Date range & inventory type pulled from TOP of Home

Extra visual indicator so pubs know this is not all their rules

Bid Insight - Details

^ Pricing rule 3

Bid range: \$4 - \$5

1.56B

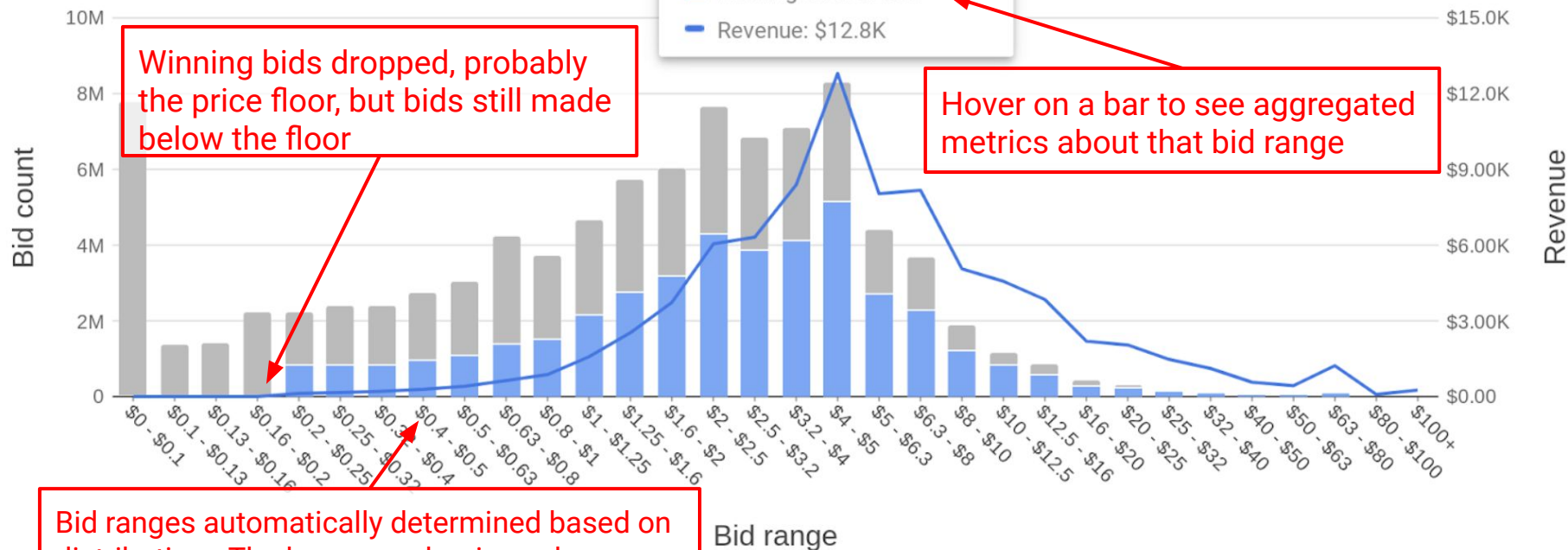
\$3.37M

\$2.16

Losing highest bids: 3.18M

Winning bids: 5.13M

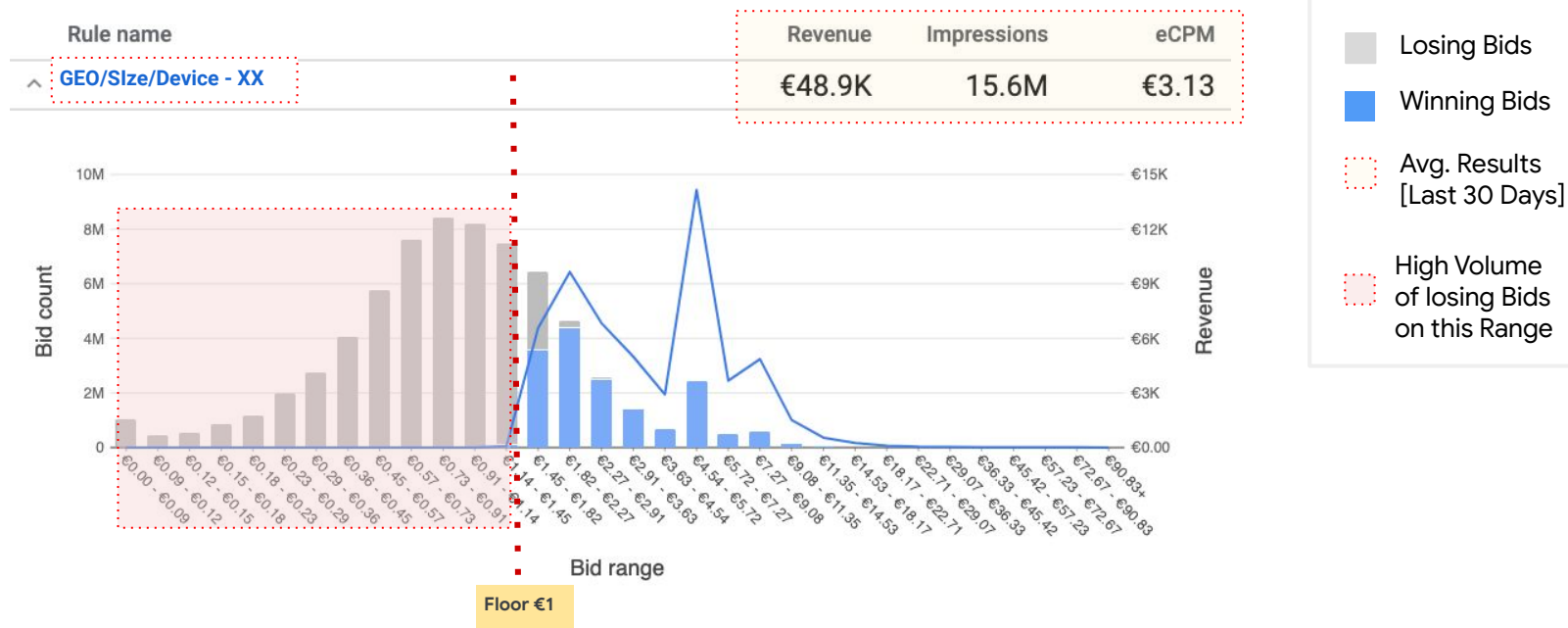
Revenue: \$12.8K



Bid ranges automatically determined based on distribution. The lower number in each range is inclusive of that bid amount and the higher number is not

Insights Card Review | Best Practices

The insights card in the Ad Manager Home Page can assist on pricing strategy. Consider monitoring floors quarterly.



- When applying floor strategy consider as a **parameter the grey area**, if the losing bids on the left side are significantly high (i.e. >1M) there is an opportunity to slightly lower floors or adjust targeting
- **Premium Inventory:** Consider keeping higher floors when the intention is protecting inventory value

Quiz Time



1. Is Target CPM driving value for this Rule?

Yes!



Incremental revenue due to Target CPM, not compromising the avg winning CPM at \$4.10

- Target CPM allows incremental revenue that would otherwise be missed
- The avg winning eCPM remains above this target price



2. Should you consider reducing this Rule Floor?

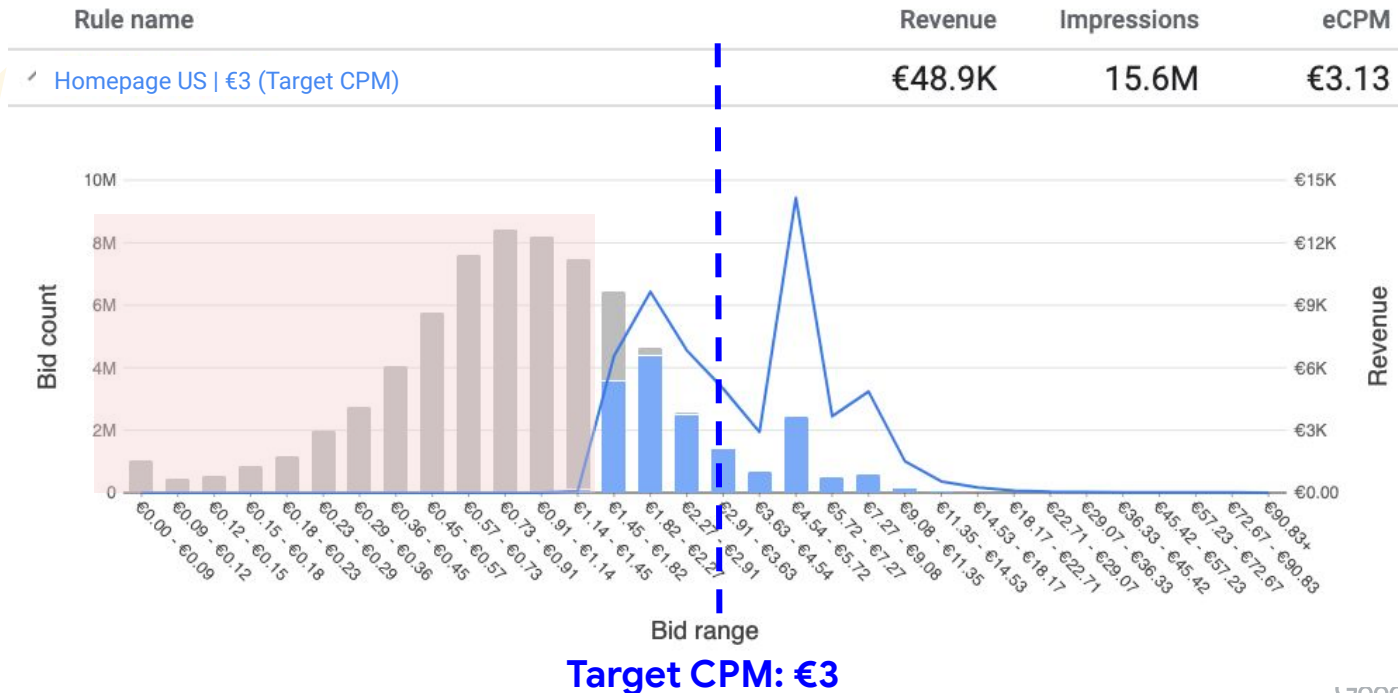
Yes!



Consider reducing floors will allow you to capture **additional demand** for this rule

Example shows significant volume of bids below the floor even with Target CPM applied.

Limited demand above the floor, so limited opportunity for Target CPM to increase revenue



3. Is this rule performing well?

Great Results!



No action needed. Keep monitoring positive performance

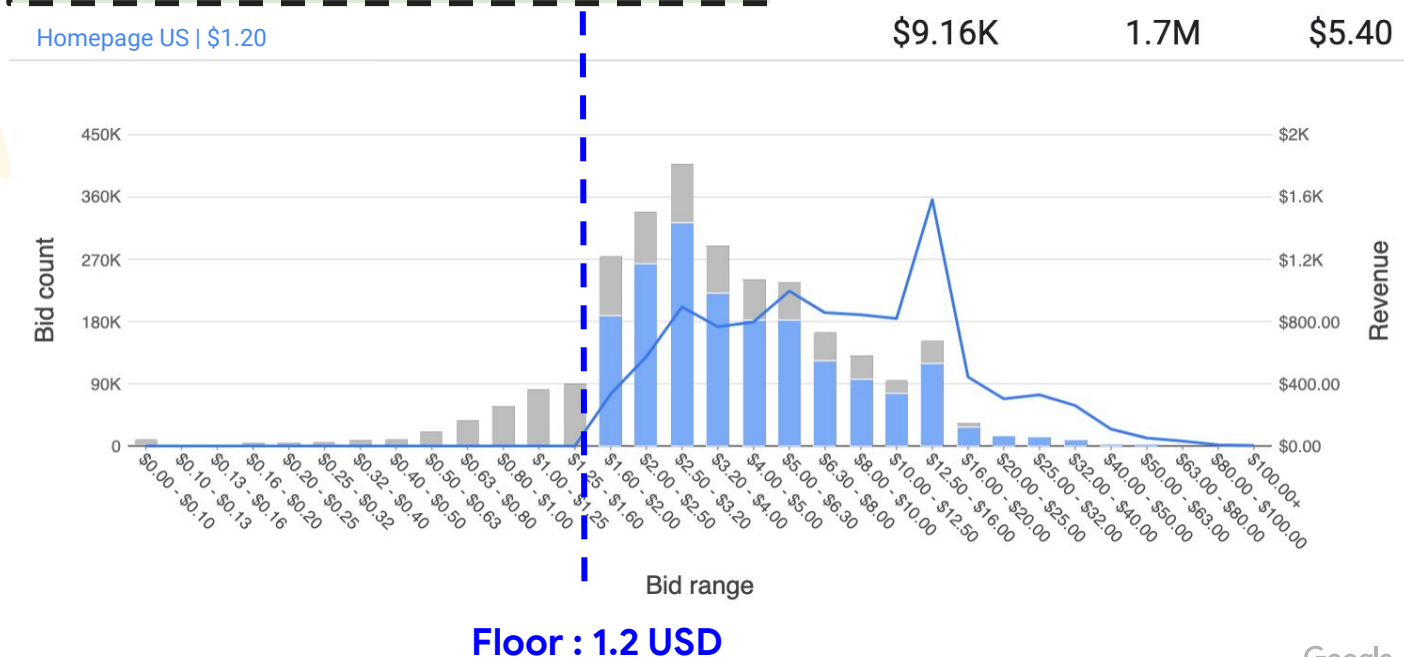
Alert: Increasing floors may impact the overall performance

Note the large difference between the avg winning CPM VS Floor

Floor: \$1.2

Example shows significant volume of winning bids above the floor:

- Limited demand below the floor
- Average closing CPM significantly higher than branded floor



4. Default \$0 Floor. Should you apply changes to this Rule?

Pricing rules ?

Apr 6 – May 5 All inventory

Rule name

Default Rule

Revenue

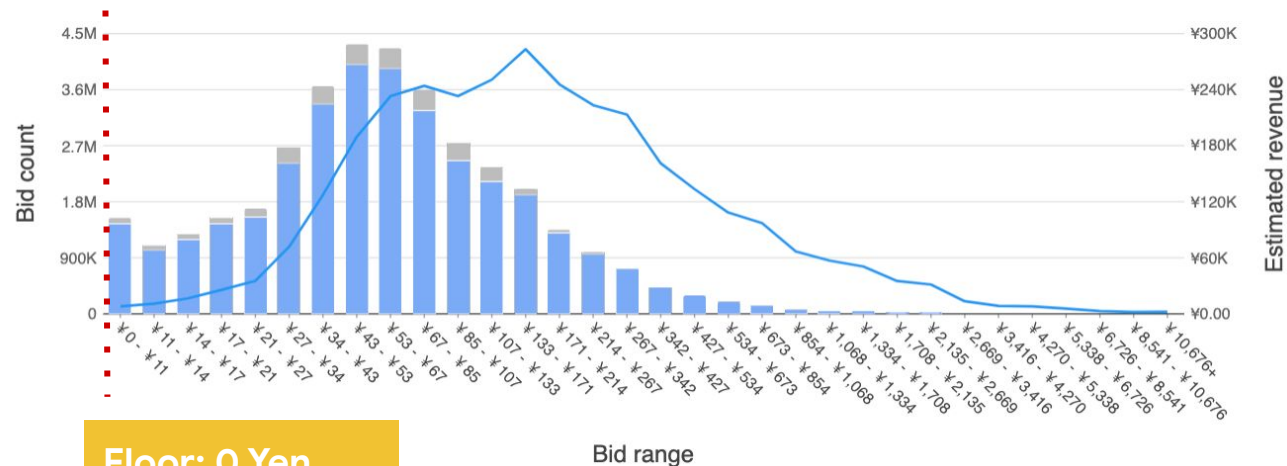
Impressions

eCPM

¥3.03M

31.4M

¥96.55



No action needed for the publisher on this rule

The highest bid will always apply for any rule including default

Search pricing rules

Example shows Default rule with \$0 floor:

- Catch-all rule examples with \$0 floors
- Insight Card can be helpful only to monitor demand, the highest bid will always apply

No action needed for the publisher on this rule

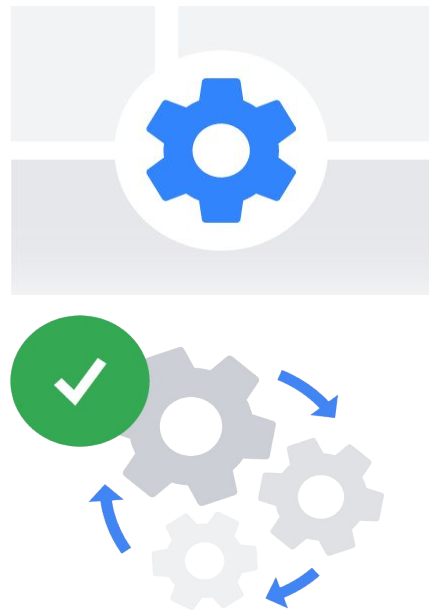
Set-up an A/B test on Unified Pricing Rules

What is an A/B test?

A/B tests consist of a randomized experiment with two variants, A and B.

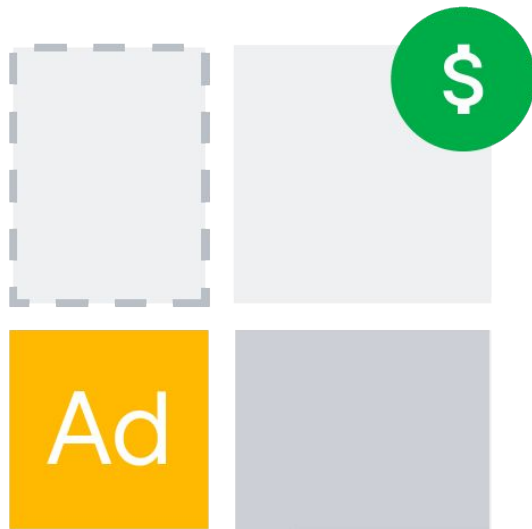
A/B testing is a way to compare two versions of a single variable and determining which of the two variants **is more effective**

Obviously, an A/B test can become an **A/B/C/.../N test** to compare more than 2 alternatives at once.



Why it is important to A/B test UPRs

As we saw during the workshop, setting the **RIGHT** floor is crucial to optimize programmatic yield



Testing UPRs **without** an A/B test

Publisher “Supersport” decides to test a new UPR for their Video inventory.

OLD UPR: 2€ CPM (Floor)

Last 30 days:

- Open Auction coverage: 35%
- Average eCPM: 4.50€

NEW UPR: 3€ CPM (Floor)

Tested for 7 days:

- Open Auction coverage: 20%
- Average eCPM: 6.00€

Is it better to maintain the old UPR or to switch to the new one?

Are you sure?

- In the last 7 days, there were no Football games
- The coverage of the “new” UPR started very low (10%) and then increased to 20% only on the last day of testing
- In the last 7 days, you had a lot of Direct-sold campaign while before the test began you had only a few
- The developers has rolled-out Lazy Loading just a week before you started testing the “new” UPR and the number of impression was increasing since then

..so how can you compare FAIRLY the two UPRs?

How to setup an A/B test

1) Choose an UPR / Ad Unit you want to test

- *Better to not overcomplicate those kind of test, so you may want to test one thing at a time*

2) Create **NEW** Ad Units as “child” of the original one

- *In this way, Ad Exchange has no historical information that can “bias” the results*

3) Create a **Key-Value** that can be used to target the different UPRs you want to test

- *Something like “test_upr” that can be “A”, “B”, “C”, and so on..*

How to setup an A/B test

- 4) Create different UPRs with different floor prices, each targeting only **ONE** of the new Ad Units and only **ONE** Key-value value
- 5) **Exclude** the newly created Ad Units from the targeting of the already existing UPRs (to avoid any conflict/overlap)
- 6) **Implement** some logic in the page that randomly allocates traffic to one of the test buckets. The traffic allocation is simply done by setting the right Key-value value and by calling the right Ad Unit

```
var resourceList = [  
  { ad_unit: 'top', kv: '0', chance: 0.85 },  
  { ad_unit: 'top/test_A', kv: 'A', chance: 0.05 },  
  { ad_unit: 'top/test_B', kv: 'B', chance: 0.05 },  
  { ad_unit: 'top/test_C', kv: 'C', chance: 0.05 }  
];
```

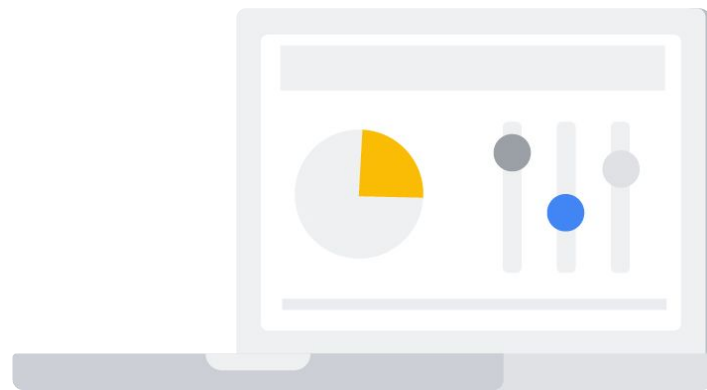
Tips & Tricks

- Allocate **no more than 20%** of your traffic to the test and keep the remaining 80% “as-is”
- Keep the test running for **AT LEAST** 2 entire weeks
- Keep an eye on the traffic balancing to be sure that your “random” allocation works properly



How to measure the results

- Compare the “new” Ad Units revenue between each other
- Re-scale if necessary
- Keep an eye on other key metrics like
 - CTR
 - Viewability



Beta Manual Experiments on UPRs

There is currently a Beta that allows to performs experiments on UPRs **directly into Ad Manager**

It is not as powerful as setting up a proper A/B test, but is definitely more immediate and easy to use

×

New experiment

Type

?

Unified pricing rules

Name

My Pricing Experiment

Pricing settings

?

Unified pricing rule

?

Duncan's Rule

Pricing option

?

Choose one of the following pricing options to use as control

☒ Everything

Floor: \$1.00

☐ Sizes: Native

Target CPM: \$0.00

Original price

?

Experiment price

?

Floor

\$1.00

Target CPM

▼

\$ 1.00

⚠ Recommended - When changing from Floor to Target CPM, use the same price so you can compare the results of this change.

Delivery settings

Experiment period

Apr 16 – 30, 2020

▼

Traffic allocation

10 %

SAVE

CANCEL



Questions?



Thank you!