### Predicting Ads' CTR with Decision Rules

Krzysztof Dembczyński Wojciech Kotłowski Dawid Weiss

Institute of Computing Science Poznan University of Technology Poland



#### 1 Introduction

- 2 'Beyond Search' Data Set
- 3 CTR Prediction Model
- 4 Query Intent Analysis
- 5 Summary and Conclusions

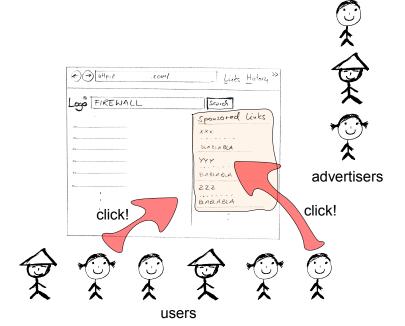
### **CTR, CPC, REVENUE MODEL**

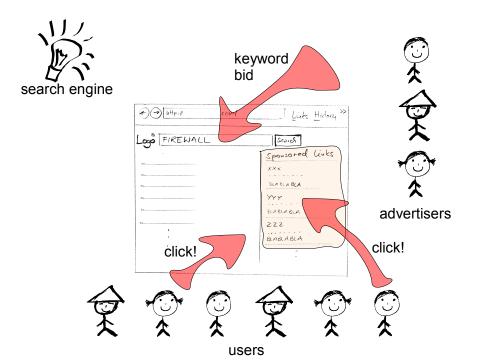
€ → hHp:// .com/	Links History >>
Logo FIREWALL	Scarch
	Sponsored Links
	XXX
0	BLABLA BLA
0	YYY
C	ELABLABLA
с	222
2	BLABLABLA
4	C

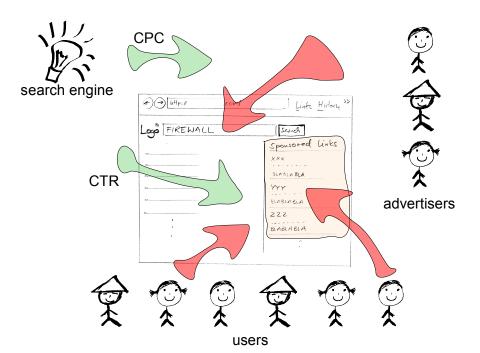




advertisers







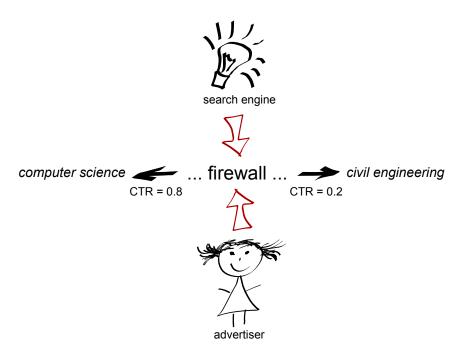
### $\text{REVENUE} \propto \text{CPC} \times \text{CTR}$

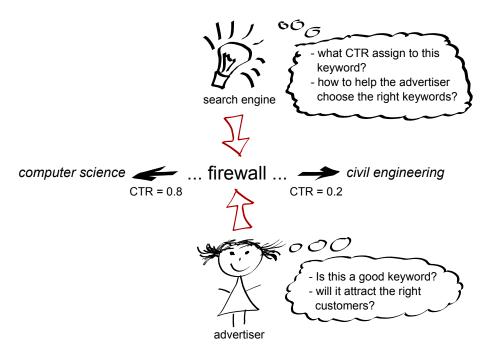
search engine

... firewall ...











search engine



... firewall ...

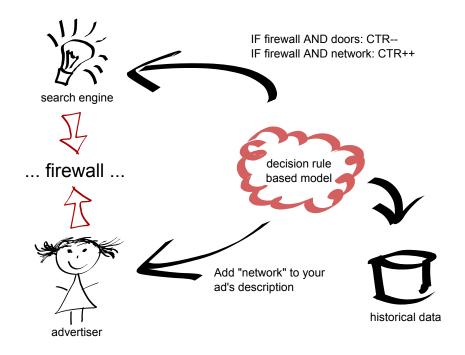








historical data



## **CTR PREDICTION MODEL**

- handling interactions between features
- (possibly) interpretable if-then decision rules (white box)

# **AD IMPROVEMENT HINTS**

feedback for advertisers

#### 1 Introduction

- 2 'Beyond Search' Data Set
- 3 CTR Prediction Model
- 4 Query Intent Analysis
- 5 Summary and Conclusions

"Unfortunately, the data set [...] does not contain all the elements that have been previously used to derive features of ads [...]."



"We think some of these features could be reconstructed by issuing queries to the Live! search engine (using its API)."

"Additional features could be based on the context of original queries for which ads were displayed and clicked."

### **BEYOND SEARCH DATA SET**

## Ads and domains

Domain	ads count	Ad ID	domains count
www.shopzilla.com	20032	85593319	4764
www.bizrate.com	17592	1269587	713
www.pronto.com	12831	87598825	562
clickserve.dartsearch.net	11090	5941421	491
www.amazon.com	10828	2726279	470
clk.atdmt.com	7097	442332	429
clickserve.cc-dt.com	5704	1123716	385
track.did-it.com	5264	3789467	262

### Ads and domains

- 89316547 www.bizrate.com www.smarter.com, www.shopzilla.com travel.nextag.com
- 89288811 pixel1060.everesttech.net www.bizrate.com www.firestonecompleteautocare.com clickserve.dartsearch.net
- 89285594 www.calibex.com www.anntaylor.com www.shopzilla.com search.hsn.com
- 89274298 www.bestonlineshopping.com www.kqzyfj.com www.dpbolvw.net clk.atdmt.com

### Ads and Queries

- 174544 kids pop cds
- 174544 Photo Fixer
- 174544 classes of species
- 174544 kent cartridge company
- 174544 develops following Greek models from
- 174544 du-all.com
- 174544 psychological research journal depression in women
- 174544 jake leevey
- 174544 walker north country marathon
- 174544 MSN Mapsdulles international airport map
- 174544 phenyl magnesium bromide in gridnarf synthesis
- 174544 coke
- 174544 2000 degrees heat
- 174544 COSHOCTON AIR SHOW
- 174544 adult freindfinder.com

### **Ads and Queries**

634888	1	0	10 dollar scrubs
634888	1	0	sugarpea scrubs
634888	1	0	landue scrubs
634888	1	0	scrubs and cubs
634888	1	1	costumes scrubs
634888	1	0	Turbinado Scrubs
634888	1	0	scrub top with 5 pockets
634888	1	0	scrubs RI
634888	1	0	tulsa A.A. scrubs
634888	2	0	scrubs rx
634888	1	0	CASSANDRAO SCRUBS

# **Final Pruning**

- Only ads associated with a single domain.
- Only ads with a minimum impression count (10, 30, 60, 200).

# **Final Pruning**

threshold	unique ad IDs	impressions
all	463,202	110,955,561
10	373,437	110,553,933
30	279,786	108,851,279
60	211,419	105,916,306
200	101,529	93,538,958

#### 1 Introduction

- 2 'Beyond Search' Data Set
- 3 CTR Prediction Model
- 4 Query Intent Analysis
- 5 Summary and Conclusions

### **MODELING THE CTR**

## Assumption

The result of comparison of probabilities for two ads does not depend on position and results page **as long as** both position and page are **the same** for both ads:

 $\frac{P(click|page_1, pos_1, ad_1)}{P(click|page_1, pos_1, ad_2)} = \frac{P(click|page_2, pos_2, ad_1)}{P(click|page_2, pos_2, ad_2)}$ 

## Conclusion

Probability factorizes into the following form:

 $P(click|page, pos, ad) = f_{12}(pos, page) \times f_3(ad)$ 

Additionally, we assume:  $f_{12}(pos, page) = f_1(pos) \times f_2(page)$ .

### **Parameter estimation**

### Naïve method

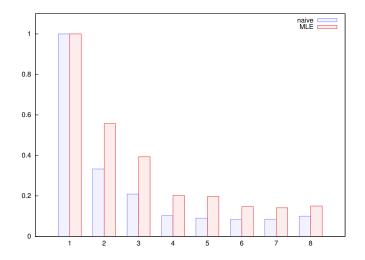
$$f_1(pos) = \frac{|\{clicked, pos\}|}{|\{pos\}|} \quad f_2(page) = \frac{|\{clicked, page\}|}{|\{page\}|}$$

Overestimates top positions and pages, underestimates the bottom ones.

### **Maximum Likelihood Estimation**

- Expectation-maximization algorithm.
- Tests on artificial data showed high accuracy.

### Position and the CTR



The likelihood of seeing the ad as a function of its position,  $f_1(pos)$  for both naïve and MLE methods.

# Predicting CTR

To predict the CTR we learn a function f(x) using a training set  $\{y_a, x_a\}_1^N$ , in which each example corresponds to a single ad *a*:

- $y_a \text{CTR}$  estimated using MLE ( $y_a = p_a(a)$ )
- $x_a$  feature vector related to the quality of a (title, body, URL).

## ENDER

- We treat f(x) as an ensemble of decision rules
- We use the ENDER algorithm to generate the rules.
- ENDER is based on **boosting**: in each iteration, a single rule is generated by concentrating on examples which were hardest to classify correctly by previous rules.
- For CTR prediction, ENDER minimizes the squared-error loss.

## **Decision Rules**

The main advantage of decision rules is their simple and human-interpretable form that can model interactions:

```
if term = "costume" and term = "halloween"
and URL = "com"
and #segments in URL \geq 3
and URL length \leq 21
then CTR is increased by 0.017
```

Number of covered ads = 87

Web Images Videos	Shopping News Maps More   MSN   Windows Live	
bing-	halloween costume	
ALL RESULTS	Results are included for halloween costumes. Show just the results for halloween costume.	Sponsored sites
Images	ALL RESULTS 1-10 of 22,600,000 results · advanced	Halloween Costumes (Save)
Videos	Unique Halloween Costumes - HalloweenMart.com Sponsored sites Costumes For Kids & Adults - Safe Site - Fast Ship	Low Prices, Fast + Cheap Shipping! Shop the Latest Halloween Costumes. www.CostumeHub.com/Halloween
RELATED SEARCHES		www.costumeHub.com/Halloween
Kids Halloween Costumes	Halloween Costumes for Adults, Teens & Kids - Halloween Supplies : Buy	Halloween Costume
Homemade Halloween Costumes	BuyCostumes.com is the webb s most popular store for <b>Halloween costumes</b> , accessories and props as well as party supplies and decorations. Visit our <b>Halloween costume</b> and	Halloween Costumes & Accessories! Shop Today For The Best Selection!
Party City	party	CostumeExpress.com
Couples Halloween Costumes	www.buycostumes.com - <u>cached page</u> Halloween Costumes For Adults & Kids - Costume SuperCenter.com	Halloween Costumes Shop Over 15,000 Costumes - All
Halloween Costume Ideas	Question? Call us at 1-888-575-5575 Mon-Thur. 8:30am - 9:00pm   Fri: 8:30am - 6pm   Sat - Sun: 10am - 5pm	Sites, Styles & Low Prices! BuyCostumes.com/Halloween
Plus Size Halloween Costumes	www.costumesupercenter.com - <u>cached page</u>	halloween costume
Disney Halloween Costumes	Halloween Costumes and Costume Accessories for Adults, Teens and Kids.	Shop, Compare, Decide. Save on halloween costume at Bing™
Funny Halloween Costumes	The absolute largest selection of <b>Halloween costumes, costume</b> accessories, props and <b>Halloween</b> decorations available anywhere. Quick ship. Low prices. We are The <b>Halloween</b>	cashback! bing.com/cashback ≣ <b>© <u>Bing cashback</u></b>
	en e	

### **Recommendation Rules**

From decision rules we can derive **recommendation rules** to make recommendations concerning ads:

```
if term = "costume" and term = "halloween"
and #segments in URL \geq 3
and URL length \leq 21
then URL \Leftarrow "com"
```

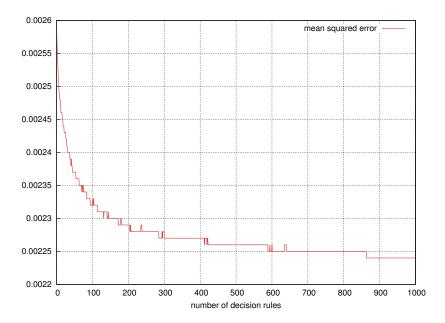
# Experiment

- Single-domain ads, shown at least 200 times (101 529 ads).
- Each ad described by features related to query terms and its URL.
- We generated 1000 rules.

#### **Results**

classifier	MSE (1e-3)	improvement
Baseline	2.59	_
ENDER	2.24	13.5%

Mean squared error (MSE) on test data.



#### 1 Introduction

- 2 'Beyond Search' Data Set
- 3 CTR Prediction Model
- 4 Query Intent Analysis
- 5 Summary and Conclusions

#### Can we determine from the query if the user's intention is to click on the ad or browse query results?

The goal is to estimate the probability of clicking the add for a given query content.

#### **QUERY INTENT MODEL**

 $P(click|page, pos, query) \propto \exp\left\{f_1(page) + f_2(pos) + f_3(query)\right\}$ 

- Fitting the model by minimization of the exponential loss (boosting).
- Functions *f*<sub>1</sub> and *f*<sub>2</sub> are non-parametric. Function *f*<sub>3</sub> is an ensemble of decision rules (ENDER).
- Each impression considered as a separate training example.

#### Problem

As many observations as query impressions ( $\sim$  100 million).

#### Solution

- **1** First estimate  $f_1(page)$  and  $f_2(pos)$  by grouping all impressions with the same page and position.
- 2 Then estimate  $f_3$  by grouping all impressions with the same query.

# **Decision Rules**

• The rules show the relation between keywords used in queries and the intent to click an ad:

if keyword = "cheap" then Intent to click an ad is increased by 0.7106

Number of covered queries = 69,816

Web Images Videos	Shopping News Maps More   MSN   Windows Live	Sign in   United States   Extras 🔻
OINS	cheap 👂	
ALL RESULTS	ALL RESULTS 1-10 of 276,000,000 results · advanced	Sponsored sites
RELATED SEARCHES Cheap Tickets Cheap DVD Cheap Flights Cheap Definition Cheap Airline	Super Cheap Airfare Deals         sww.bookingbuddy.com         Sponsored sites           Compare cheap airfare form 40+ major airlines & discount travel sites!         Airfare From \$39         sww.Travelzoo.com           Find the Cheapest Airfare Now. Compare Flights from \$39!         Cheapest Flights         sww.Fly.com           Save on Flights Now Compare Fares Before You Book.         Save Social States         Save Social States	Discourt Airline Tickets Great Deals on Al Flights. Save up to 40% with Priceline. www.priceline.com Discourt Airliare Get quotes & make reservations. Save time and money! www.LowFarse.com
Cheap Computer Cheap Loans Cheap Ford	Cheap Flights, Airline Tickets, Airlare, Hotels, Vacations, Rental Car Find cheap flights and airline tickets with no booking fees at CheapTickets: cheap airlare, hotels, travel deals, vacations, car rentals, cruises and more. www.cheaptickets.com - <u>cached page</u>	Midwest Airlines Low Fares and Extra Legroom. No Booking Fees. www.midwestairlines.com
SEARCH HISTORY cheap yellow pages halloween costume	Cheap Laptops UK Used Laptops UK Refurbished IBM Notebooks UK Cheap II offers top rofurbished UK laptops with whi and windows xp installed. Massive range of discounced laptops with up to 40% off RRP, Free delivery, the UK's widest range www.cheap-it.com <a href="mailto:cashed">cashed</a> page	Secret Airfare Loopholes Fired Travel Agent Exposes Methods For You To Save Big On Airfare www.MyAirfareSecrets.com
youtube mtv See all	Cheap Trick com From BILBOARD: "Cheap Trick Preps The Latest" May 29, 2009 at 9:16 am - Filed under News. Cheap Trick is stepping outside of the label world to release its next studio album www.cheaptrick.com - 10 hours ago	Cheap Airline Trckets Super Saver Airfares International and Domestic Flights www.AirGorilla.com

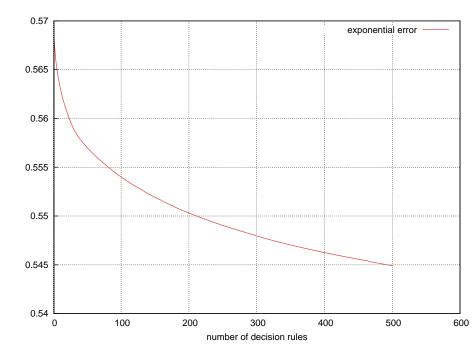
# Experiment

- All the impressions (110,955,561).
- 24,879,232 distinct queries.
- Each query is treated as bag of words (we used 10,000 terms).
- We generated 500 rules.

#### **Results**

classifier	ExpLoss	improvement
Baseline	0.568	_
ENDER	0.545	4.13%

Exponential loss (ExpLoss) on test data.



# **Interesting Rules:**

if keyword = "yellow" and keyword = "pages" then Intent to click an ad is increased by 0.49

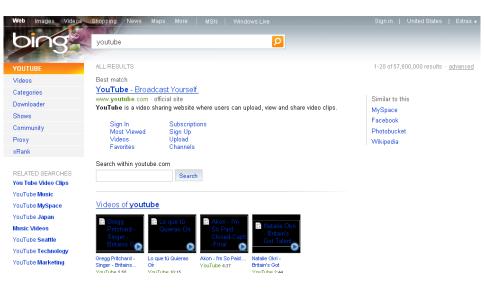
Number of covered queries = 15,846

Web Images Videos	Shopping News Maps More   MSN   Windows Live	Sign in   United States   Extras 🔻
higo	yellow pages	
	yellow pages	
ALL RESULTS	ALL RESULTS	1-10 of 185,000,000 results · advanced
RELATED SEARCHES White Pages Phone Directory	Yellow Pages Phone Book - Phone.TheYellowPages.com Search by Keyword or Business Name, Get Phone, Address & Coupons Yellow Pages Phone Book - Get Phone, Address, Directions, Web Search Over 16 Million Businesses, Get Phone, Address, Directions, Web	Sponsored sites
MSN Yellow Pages Verizon Yellow Pages Real Yellow Pages	Best match Yellow Pages Local Directory - YELLOWPAGES.COM	
Yahoo Yellow Pages Yellow Book	www.yellowpages.com · official site Find online Yellow Pages business listings, phone numbers, addresses, map- directions and more in the YELLOWPAGES.COM online directory.	s, driving White Pages Yellow
Yellow Pages Dex	People Search Local Business Search About	SuperPages YellowPages.ca
SEARCH HISTORY yellow pages	Maps & Directions Contact Mobile Careers	
halloween costume		
youtube	Mallaw Barres Land Bireston, MELLOW DAGED COM	
mtv	Yellow Pages Local Directory - YELLOWPAGES.COM Careers; Browse Yellow Pages; About YELLOWPAGES.COM; Contact Us; S	2ite Men: Heler
credit union	Advertise With Us; AT&T AT&T Wireless; att.net; TollFreeDA.com; AnyWho; I	
See all	Pages www.yellowpages.com/?From=Branding_ypbrnd_yellow+pages < cached pa	ge

# **Interesting Rules:**

if keyword = "youtube" then Intent to click an ad is decreased by -1.04

Number of covered queries = 26,436



#### 1 Introduction

- 2 'Beyond Search' Data Set
- 3 CTR Prediction Model
- 4 Query Intent Analysis
- 5 Summary and Conclusions

# Summary

- Rule-based model for CTR prediction.
- Rule-based model for intent analysis.

"The quest for assets."

- Insufficient ad description data.
- Unclear ad ID ad description relationship.