



Welcome to: *Just Start*

Course 2:

Understanding Website Monetization With Ezoic



Speaker 1: ([00:04](#))

Hello, everyone. Welcome back. This is course number two, you made it through course number one. Just a quick reminder that you need to watch all four courses of Just Start so that you have all the information necessary so that you can complete the final test and pass it so that you can access these Ezoic features.

Hopefully, course number one was helpful and if not, you can go back and watch it again. You can view the study materials, or you can attend some of our live sessions if you're just getting started and you have questions or just want a tutor to help you make sure that you grasp all the information as a part of the course. Today we're going to be talking a little bit more about understanding how web monetization works and just some basic terms and definitions.



Reminders about *Just Start?*

1. **All courses must be completed and test must be passed in order to receive Ezoic account**

2. **After test is completed, we'll provide instructions on how to access your account and begin onboarding your website**
 - a. Please begin with the site you originally submitted on your Just Start application
 - b. Other sites may be able to be added to your account later on

3. **Scale and test bringing on websites** in a class format so that we can eventually make Ezoic a technology available to all



First I will bring up something, just some basic housekeeping just to remind you that all courses have to be completed - and I know I keep saying it.

Then number two, after the test is completed, we will provide you with instruction on how to access your email account that is approved to use monetization and we'll begin onboarding your website to the platform. Please begin with the site you originally submitted on your Just Start application. Other sites that you have can be added later on. We want to make sure that we're able to help you get one site live, and then if you can start to set up additional sites on your own, then that's great, but we want to really just start with one.

Third, we are using this program as basically a scale and a test for bringing on sites in our class format that we eventually want to make available to all sites. Your feedback is helpful, but if you have questions as you go through the Just Start program, I do want to emphasize using the guide@ezoic.com email as a mechanism for reaching out to our team and getting help as you make your way through the course, not after you actually have the account, but making your way through the course.



Important terms and concepts to understand in programmatic display advertising



So today we're going to talk a little bit about some of the important terms and concepts in programmatic display advertising - programmatic being the way that most display ads are shown on sites across the web.

Programmatic display advertising

Act of buying/selling ad space in real-time using technology opposed to the legacy model that involved RFPs, human negotiations and manual insertion orders.

Best example is...



I gave this example yesterday, but the act of buying and selling ad space basically defines what programmatic display advertising is. It uses a real time technology that makes thousands of bids or millions of bids.

You might have someone like Coca-Cola and they use Google ads or Google ad manager, and they say: We want to target these potential Coca-Cola buyers. Then their ads go out into Google's ad exchange, where they bid against thousands of other advertisers.

If their bids are accepted, when one of their target audience members lands on your website, that ad is then shown as an impression to that visitor.

Ads are bought and sold through this mechanism known as the real time bidding protocol (RTB) in a couple of different ways.

How ads are bought and sold...



Cost per click (CPC):

Advertiser agrees to pay when an ad is clicked

One of the ways that is the most well known, but not actually one most commonly utilized, is cost per click or CPC.

CPC is actually more common in search advertising than it is in display these days, and basically CPC advertising is when an advertiser agrees to pay when an ad is clicked - pretty straight forward.

How ads are bought and sold...



Cost per click (CPC):

Advertiser agrees to pay when an ad is clicked



Cost per 1,000 ad impressions (CPM):

"Cost per mille" means cost per thousand and is typically referring to the cost to buy 1,000 viewable ad impressions

There's also, what's called CPM. CPM is typically how most display ads on websites are bought and sold.

In this case, M stands for mille. Mille in advertising means thousand. So for those of you that are native English speakers, you'll notice that mille sounds a lot like million, but it actually not. It's Latin and it stands for thousand. So cost per mille means the cost for an advertiser to get a thousand impressions. So to show a thousand ads, that's their cost per mille.

So you might bid a \$10 CPM. That would mean that \$10 would buy you a thousand ad impressions on a site.

How ads are bought and sold...



Cost per click (CPC):

Advertiser agrees to pay when an ad is clicked



Cost per 1,000 ad impressions (CPM):

"Cost per mille" means cost per thousand and is typically referring to the cost to buy 1,000 viewable ad impressions



Cost per acquisition (CPA):

Cost advertiser is willing to pay per result (sales, sign-up, lead generated, etc.).

Often, this is translated automatically to CPA/CPC in popular platforms in programmatic but some advertisers and publishers still engage in buying and selling this way

And there's also something that's used far less and not commonly used inside of most ad exchanges, but there are specific ad networks that do what's called Cost per Acquisition or CPA.

This is basically when an advertiser says: When a certain result happens - a sale, a new lead is generated, or some type of action is taken on the advertiser's website after someone clicks, then they will pay a certain price.

So often CPAs will sound really intriguing because if someone clicks on an ad and they buy something, maybe that value is very high, but that result can be very uncommon. Let's image you're Tesla and you say: The CPA on our side is \$3,000 because a car is quite an expensive product - but how many people are actually clicking on that and then buying a car? It's probably not many.

CPA is often used in popular platforms to summarize the the value of a CPC or something like that. Ads actually do get bought and sold on a CPA basis, just not very often.

How ads are bought and sold...



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Custom negotiated arrangement:

Often an advertiser will simply agree to a deal directly with a network or publisher that includes terms with unique definitions

(i.e. homepage takeover for the month of March)

And then there's also things like custom negotiated arrangements, where an advertiser may say, we want to do a homepage takeover where only our ad shows on the left side of the screen for the entire month of March. They don't want to deal with impressions or clicks they just want a straight forward agreement. So those are not necessarily uncommon either.

Metrics used for tracking website ad revenue



Cost per 1,000 ad impressions (CPM):

"Cost per mille" means cost per thousand and refers to the price an advertiser paid to display 1,000 viewable ad impressions for a single ad unit

So those were metrics that advertisers use for buying. Metrics that publishers use to track their ad revenue follow a similar pattern, but they're not totally exact.

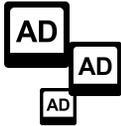
So CPM is still familiar. The cost per a thousand ad impressions (CPM) still goes for publishers too, meaning with individual ad units, you'll have an average CPM. If you've got a sidebar ad, for example, it'll have an average CPM, so on average, what are advertisers paying for this single ad unit?

Metrics used for tracking website ad revenue



Cost per 1,000 ad impressions (CPM):

“Cost per mille” means cost per thousand and refers to the price an advertiser paid to display 1,000 viewable ad impressions for a single ad unit



Revenue per 1,000 ad impressions (RPM):

Revenue averaged over 1,000 ad impressions

RPMs are often understood as being basically the revenue that you make per thousand ad impressions. I think most people understand that, but I think it's also understood that this the paramount metric that determines whether you're making good revenue or bad revenue.

The truth is, RPMs being lower or higher, is not necessarily indicative of revenue being lower high. You can have a higher RPM than another site and actually be making less money per visitor surprisingly.

We're going to get into it in a minute, but RPMs are essentially the total of all the CPMs, over a thousand ad impressions.

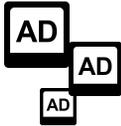
So one ad unit may get a \$10 CPM while another may get a \$5 CPM. To calculate RPM, you divide the number of page views by a thousand ad impressions and the cumulative average, and what you get is the RPM.

Metrics used for tracking website ad revenue



Cost per 1,000 ad impressions (CPM):

"Cost per mille" means cost per thousand and refers to the price an advertiser paid to display 1,000 viewable ad impressions for a single ad unit



Revenue per 1,000 ad impressions (RPM):

Revenue averaged over 1,000 ad impressions



Earnings/Revenue per 1,000 sessions/visitors (EPMV or Session RPM):

Total revenue earned from 1,000 visitors or sessions that accounts includes all ad impressions and pageviews of these visits

While RMP may seem like a great metric for measuring how much money you make from all the ads, it not actually what I would describe as true North metric for publishers which is earning per thousand visitors (EPMV).

When a visitor lands on your website, one visitor might visit multiple pages and so what you are ultimately, always trying to understand in publishing - How much money are you making per visitor? It's referred to as EPMV or session RPM and may look like "S RPM" or "EPM", remember that pesky M is mille for thousand.

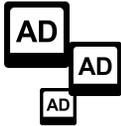
It's the total revenue earned divided by a thousand visitors and is something that is works for not just advertising, but for all revenue. If you make affiliate revenue, money from subscriptions, or selling products, you can actually take all that revenue and divide it by a thousand visitors and get an idea of how much money your website is making per visitor for all sources of revenue, not just ads, which is very important.

Metrics used for tracking website ad revenue



Cost per 1,000 ad impressions (CPM):

"Cost per mille" means cost per thousand and refers to the price an advertiser paid to display 1,000 viewable ad impressions for a single ad unit



Revenue per 1,000 ad impressions (RPM):

Revenue averaged over 1,000 ad impressions



Earnings/Revenue per 1,000 sessions/visitors (EPMV or Session RPM):

Total revenue earned from 1,000 visitors or sessions that accounts includes all ad impressions and pageviews of these visits



Total Revenue/Earnings:

Total revenue earned over a set term or time period (i.e. monthly revenue)

The last metric is total revenue. This is the amount of money that you would make in a month. You may make more money one month than the next month and maybe it's because traffic goes up or down. That's why the amount of money you make per visitors is so important. It gives you a true North.

It gives you a look at when traffic is going up or if traffic is going down, am I actually making more money per visitor than I was previously.

Metrics used for tracking website ad revenue



Cost per 1,000 ad impressions (CPM):

"Cost per mille" means cost per thousand and refers to the price an advertiser paid to display 1,000 viewable ad impressions for a single ad unit



Revenue per 1,000 ad impressions (RPM):

Revenue averaged over 1,000 ad impressions



Earnings/Revenue per 1,000 sessions/visitors (EPMV or Session RPM):

Total revenue earned from 1,000 visitors or sessions that accounts includes all ad impressions and pageviews of these visits



Total Revenue/Earnings:

Total revenue earned over a set term or time period (i.e. monthly revenue)

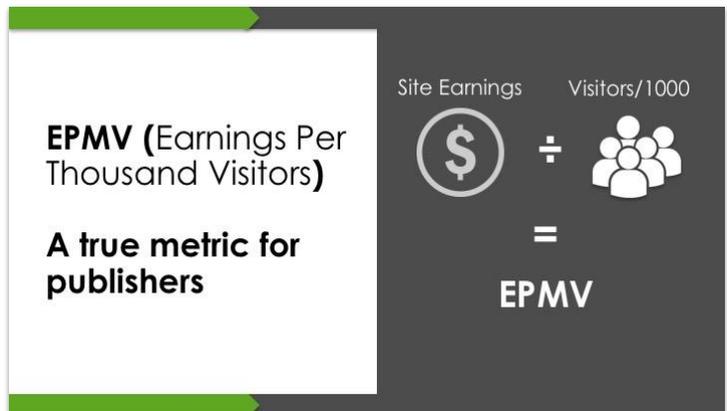
That's why it's something that we are adamant in supporting and making sure that our publishers understand and see those reports because many in the space have long tried to optimize for RPM because it definitely lends itself to manipulation. It's not in the best interest of publishers. EPMV is the one metric that really can't be manipulated in a way that shows you that you're doing anything other than making more revenue.

EPMV: what should it be?

The math behind EPMV

Where eCPM is the total amount of \$ paid for the ads on a page, EPMV accounts for **bounce rate and pages per session**.

This defines a “true north” and allows you to track your website’s growth more accurate.

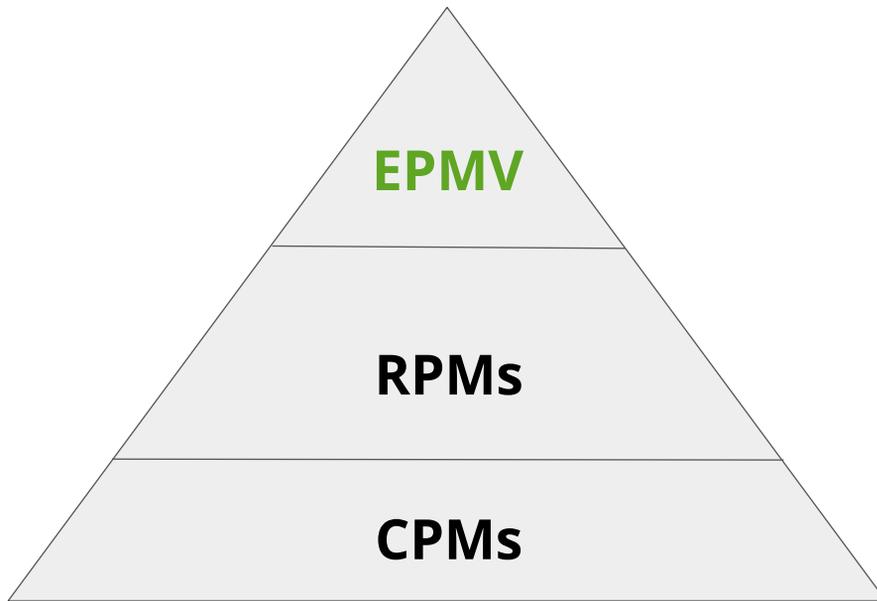


How does EPMV work? Well, if you are making money from multiple sources on the web, I would encourage you to always keep track of your total EPMV.

Basically an eCPM or RPM is the cumulative total of all the CPMs on a page, so all the ad impressions get added up on a page and EPMV will account for things like bounce rate and pages per session.

So a visitor might visit three pages sometimes, or just one page if there's an autoplay video ad or something that makes them bounced and EPMV will help you basically work out the math on which situation is better. Is the value of that autoplay video ad worth it? What they visit more pages and you make more money overall if they don't bounce.

I'll give some examples of that later.



So if we view it as a pyramid CPMs make up most of the individual averages of how much you're making per ad. RPMs are looking at how much you're making per a thousand ad impressions. EPMV is how much money you're making from all the ad impressions per visitor.

Every RPM is made up of CPMs and EPMV is made up of RPMs.

CPMs are the base; it measures how much an advertiser is willing to pay for a particular ad space on a website page.

RPMs, which measure revenue per page, is therefore made up of a bunch of CPMs.

Which means EPMV, which is earnings per visitors (including multiple page views) is made up of RPMs and CPMs.

What is an ad unit?

Ad units, or “ad tags”, are containers that look like a code snippet that you place on a site to show an ad in that location.



This is one of my favorite examples. Ad units are often referred to as ad tags and they're basically code snippets. They look like containers as shown here. These containers are basically locations where ads will show and with Ezoic, we actually don't use ad units. Ezoic uses something a little different called ad placeholders.

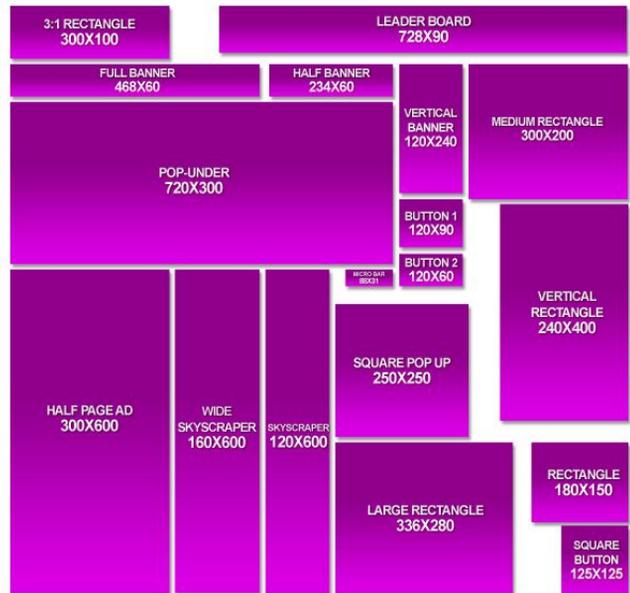
Traditional ad tags or ad units are codes that you place on your site that say this ad network or ad exchange will show a 300x250 ad in my sidebar or a 728x90 at the top of the page, and that's what size ad will be served in the location that you've placed that ad unit or ad tag. You can place as many or as few on a site as you would like traditionally.

What is an ad unit?

Traditionally, ad tags were set by ad size, network, location, and type.

This meant that A LOT of testing was required to manage even basic optimization.

Most ad ops pro's will freely share that they wish they could test much more...



Ezoic takes a slightly different approach that we'll talk about here in a minute. Most traditional ad units are fixed, meaning they never change. When you put an ad tag on a page, the ad tag will determine the ad size, the network, the location, and the type, and you can write different rules and serve the ads in ways that manipulate this or change this in a way.

But this always meant that finding the best ad locations and ad sizes takes a lot of publisher time or often leads to them hiring ad ops professionals to basically test which networks should be in the sidebar, what size ads to use, whether to put two ads in the sidebar or three in the sidebar, and so on.

Most ad ops professionals that spend time doing this will freely share that they wish they could spend more time testing because it's one of the things that makes biggest differences.

What is an ad impression?

A 'viewable ad impression' is defined as **more than 50% of the ad pixels for more than 1 second is counted as a viewable impression.**

Viewability is actually a metric :)

This article on CNN shows that the top of page and sidebar ad units would be counted as a viewable impression if the user didn't scroll away from the ad in less than one second.



That leads us to where everything is tracked. Ad impressions are basically when an ad actually is shown to a visitor through one of your ad tags. An ad impression is typically only counted if it's viewable.

Advertisers learned that if people don't see their ads, they don't work very well. Now, most platforms for advertisers stipulate that 50% or more of the pixels inside of an ad had to be viewable for at least one second to be counted as an impression. So viewability is actually a metric.

You can have a lot of ad impressions, but the viewable ads are typically what publishers are paid on. If ads aren't viewable, let's say 0% of your ads end up being viewable to visitors, advertisers will eventually blacklist sites and things like that.

While viewability is not necessarily a metric that you want to optimize for, it is a variable that's very important. It's one of the reasons why different ad sizes and locations and things along those lines, matter a lot in terms of how much advertisers are willing to pay for specific units.

Imagine you have two ads on a page and one ad, because its size, pushes another add below the fold. This might cause the second ad to not actually be counted as viewable and you might get paid less because of that.

Being able to understand those things is really important and something Ezoic does automatically.

Pageviews vs. Sessions?

Sessions = single visit to your website.



This leads to the next important metrics to understand besides what you're being paid and that is pageviews and sessions. These things are oftentimes used interchangeably but they're far from being interchangeable.

Pageviews are how many pages are viewed by visitors on your site, given a certain time period.

A session is basically a single visit to your website. So one visitor trigger one session to your website. And if they visit only one page, that's one page view. So that visitor visited one page and it was a single session and if that visitor returns, that same visitor would not be considered a unique visitor.

So you have visitors and then you have unique visitors, meaning different ones and every time they visit that's a session. The number of pages and which pages they visit will determine how many pageviews each session has.

Sites will have an average pageviews per session. It's a very important metric because it helps you understand that what happens when people land on your site. Did they visit one page or did they visit ten? When they land on page X, did they visit ten pages and when they land on page Y, do they only visit two pages? These were the things that give you a better idea of how people navigate your site and they're really great indicator of UX, but page views and sessions are very different things. When it comes to advertising, it matters a lot.

Pageviews vs. Sessions?

Sessions = single visit to your website.

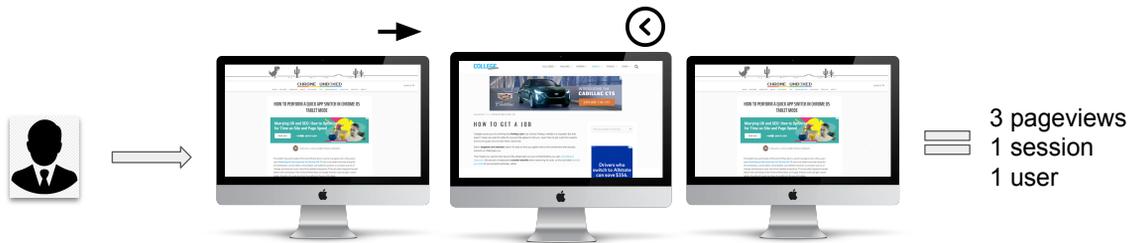
Pageviews = time a page on your website is loaded by a visitor



This kind of further defines a little bit of that. So you can see here pageviews is the time a page on your website is loaded by visitor compared to just a single visit.

Pageviews vs. Sessions?

A single **session** can include many **pageviews**, if a reader navigates to multiple pages (one session could even include multiple pageviews to the same page)



A single session can include multiple page views. If a reader navigates to multiple pages, one session could even include multiple page views to the same page.

How would that work? Well, I land on page about about digital publishing and then I click on a page about digital advertising. I decided that's not what I'm looking for and I click the back button and I come back to my original page. That's three page views, it's one session, one user, and I've only visited two pages.

It's really important to understand these distinctions because these metrics are going to be used when describing the revenue that you earn and they also help you better understand your audience.

If you think of a user, a session, and a pageview as the same thing, you may be misled or maybe misunderstand your audience in general and that can help you or hurt you depending on whether you're trying to write new content or trying to maximize the revenue that you're able to extract.

Pageviews vs. Sessions?

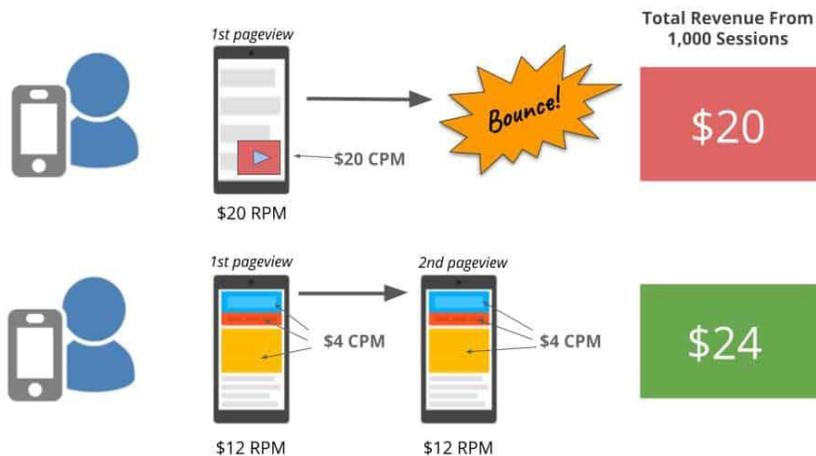
A single **session** can include many **pageviews**, if a reader navigates to multiple pages (one session could even include multiple pageviews to the same page)



This goes into a little bit more into the example about unique visitors. A single session can include multiple pages. If a new visitor, let's say on Monday, visits page one, page two, and then comes back to page one, like example we just gave, you would have a new user.

But if the same visitor comes back the next Tuesday, it's a return visitor, meaning they're not an unique visitor. They're a returning one and maybe they come back, they have a session and they only visit two pages this time. That's one session, two page views, and it's the same user. So that maybe gives you a better example of how all these distinctions are just slightly different, but definitely not the same thing and can't be used interchangeably.

Combining sessions, pageviews, and revenue



This is probably one of the things that I think is paramount for publishers to understand for a lot of different reasons, and that is combining sessions, page views, and revenue. So if you optimize for something like RPM or even CPM, you could be putting yourself in position to make a lot less money.

This is what I was talking about earlier about RPM. So let's say we've got two visitors and we're testing the same page. We want to see whether to use an autoplay video ad or three display ads makes me more money.

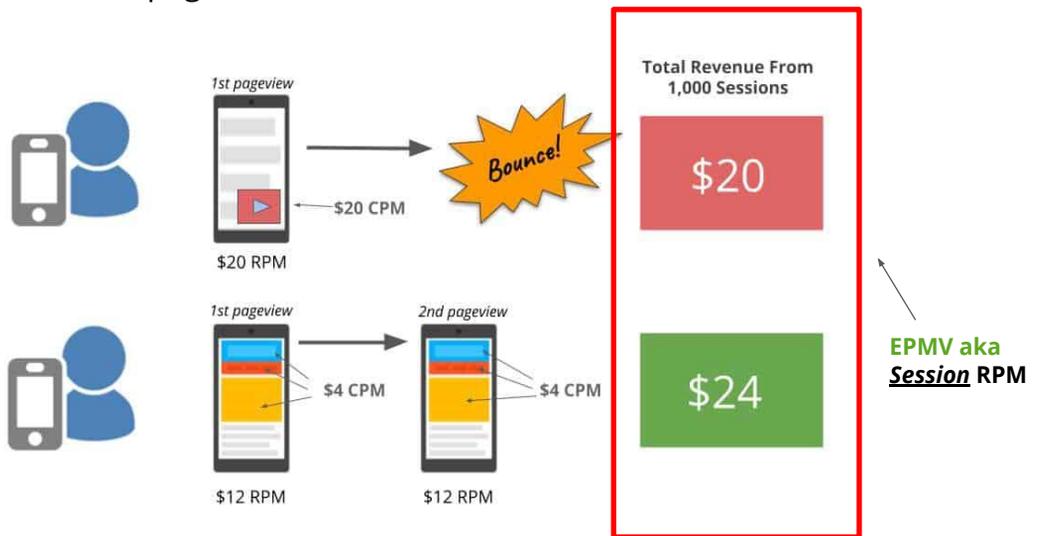
If I'm optimizing for CPMs or RPMs, what we might find is that the autoplay video ad is better because it maybe pays a \$20 CPM, that would pay out a \$20 RPM. That would result in basically a total revenue from a thousand sessions of \$20 because if they visit that first page and then they bounce immediately afterwards, the money that you made from that visit is \$20.

Now with our display ads, maybe they only make \$4 a piece and we show three of them. That'd be a \$12 RPM and \$12 is less than \$20. So if we're optimizing for RPMs, we're going to get a \$12 RPM and we're going to say the autoplay video ad is the one to go with, that's the one we want to show.

Realistically, maybe they don't bounce when they see the display ads the way they do when they see the autoplay video ad. So that means they visit a second page and the second page can show them three more CPM ads and that results and another \$12 RPM. Because of the two pageviews, that visit is now worth \$24 per thousand visits.

So that means that your RPM of \$12, in this case, is actually contributing to higher revenue.

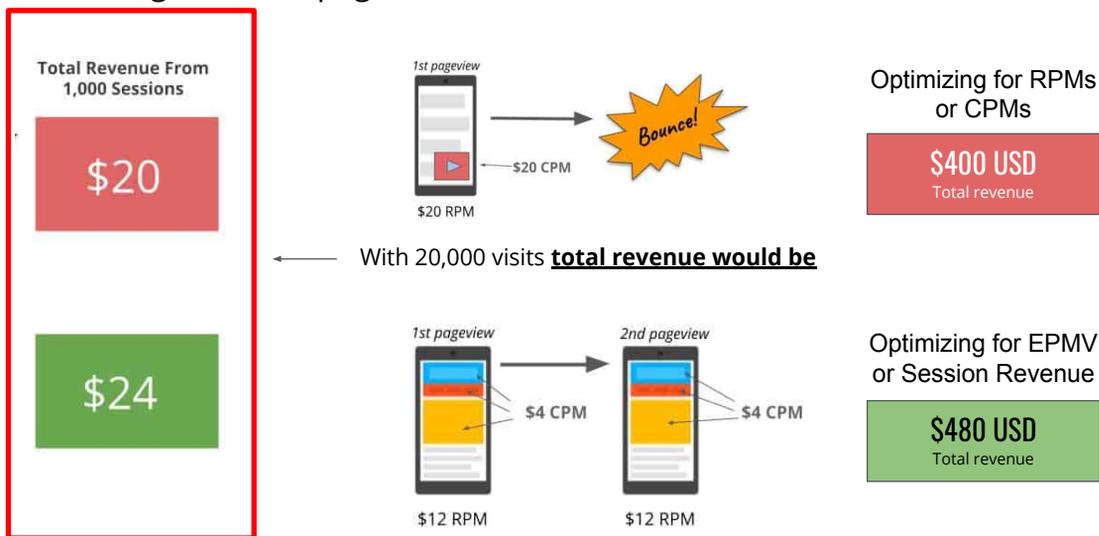
Combining sessions, pageviews, and revenue



This is why EPMV is so important. It's because user experience matters a lot in terms of how much money you make. It's not just how advertisers will ultimately bid for your content over time, but also how much money you make per visit. If they bounce because the ads are annoying or there's too many, you'll make less money per visit.

RPMs will never show you that because they're just looking at the total number of impressions divided by how much money they make a divided by 1,000. Realistically, we want to make sure that you're able to see through that and EPMV is a metric that will combine that and take user experience into account.

Combining sessions, pageviews, and revenue



So once we combine this all together, if we extrapolate out over 20,000 visits, optimizing for that \$20 RPM would result in \$400 total revenue. So let's say I get 20,000 visits in a month. I put that autoplay video ad on all my pages and let's just pretend everyone behaves the same. They bounce after seeing the first page, but because I was making a \$20 RPM and I thought that was great, I make \$400 at the end of the month, not too bad.

But let's say I understand that EPMV is a better metric to optimize for and I learned that the autoplay video ad is actually causing visitors to bounce. The next month, I get exactly 20,000 visitors. Again, they all behave the same way and because they visit two pages and the ads on those pages generate \$12 per pageview, I'm earning is \$480 at the end of the month.

That is a pretty significant uplift and it's just because I was optimizing for the right metric. This is why we caution publishers for looking at RPMs and encourage them to look at EPMV and to always tally their own EPMV.

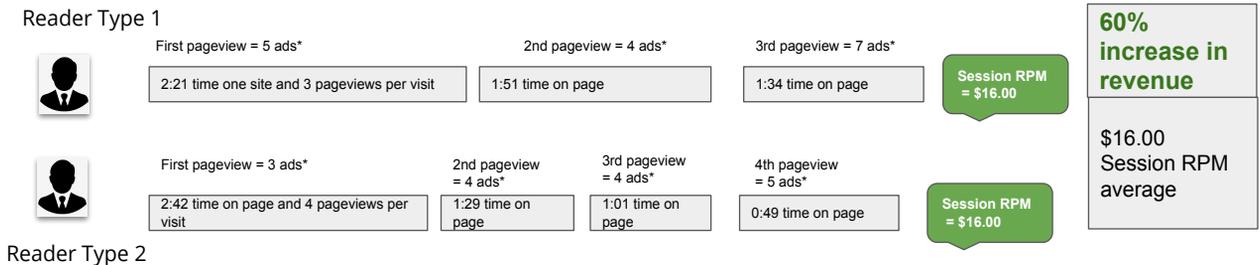
Combining sessions, pageviews, and revenue



An additional \$80. That's good, we want to make more.

Why sessions & pageviews are important to ad revenue

With Ezoic Ad Tester using Machine Learning



Reader Type 2



The way that this works, in the terms that Ezoic uses, we use Ad Tester to basically determine these things automatically. So Ezoic Ad Tester is a flagship feature inside of our monetization product, and it will actually figure this out for you.

As you can imagine, it is very, very difficult to do yourself. Figuring out all the different reasons why someone might bounce and when they bounce and all that is not easy.

Let's say you've got reader type number one. On the first page you show them five ads because on average, they'll visit three pages and machines have learned over time that reader type one visits three pages when you show them five ads.

But if you show them five ads to reader type two, they'll bounce. So what you would want to do is reduce the number of ads shown to them. The machines can learn over time that reader type two will visit four pages if you show them fewer ads on the first pageview.

So this means that for each of these reader types, you can actually make more money off of each session by optimizing for their total visits. Being able to control the number of ads and things like that, gives you the ability to increase your revenue.

If you were to show reader type two the same five ads on the first page, you might make 60% less revenue than you could make if you were to actually adjust the ad density based on the reader type. This is what Ad Tester is doing for you.

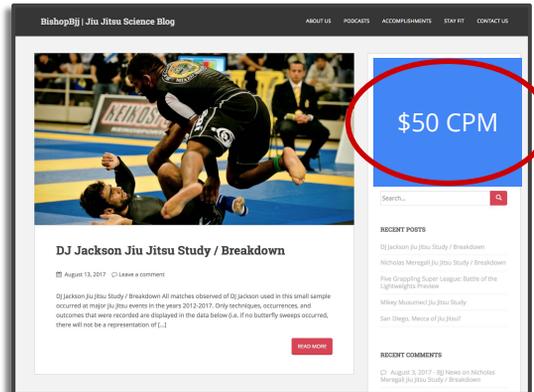
Long-term health maintained by machines...

Remember ad rates are different for every site. No two sites are the same.

Example: A publisher that wants to optimize for CPMs finds that this sidebar ad on their Jiu Jitsu website gets a \$50 CPM.

The problem: The publisher fails to take into account the supply and demand that affects the price of ad inventory value over time

...so a few months down the road...



One of the things that I think is often misunderstood in advertising is that more ads equals more money. It does look this way sometimes, but it's because most people, when they optimize for ads, don't have the longevity to see what happens over time.

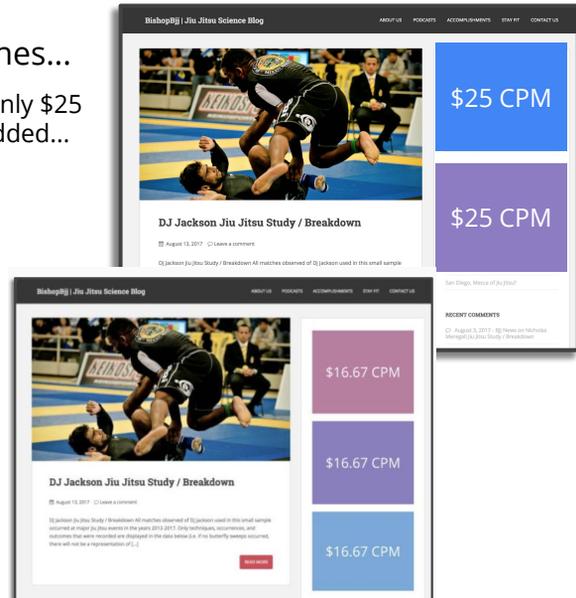
I have a jiu jitsu website and if a jiu jitsu advertiser was bidding a \$50 CPM in my sidebar, it might be a great experiment to put a second sidebar ad to see if I could make even more money, since a \$50 CPM seems pretty good.

Long-term health maintained by machines...

...ad dilution occurs and the two ads now receive only \$25 CPM each and that can continue if more ads are added...

WHY?

- A. Ads inherently dilute the value of other ads
- B. All bidding is based on historical data (performance)
- C. This may not be seen immediately, but can be seen over time.
- D. It's hard to know what advertisers are bidding on for any given site (viewability, impressions, clicks, leads/sales)



So maybe I add a second sidebar and initially I'll earn that \$50 again. Over time, the bidders are going to learn that people don't click on the ad as many times now that there's two ads and maybe it's not worth as much and now advertisers adjust their bid to \$25. Well, now I'm sad because I'm making basically the same amount of money I was making before, but I'm showing twice as many ads.

So then I add a third sidebar ad and at first I'll make a \$25 CPM, but over time those ads will continue to split the amount of money that advertisers are willing to bid on those locations. While this is a very simplified example, it is how things work over time.

Over six to eight weeks, advertisers will adjust their bids based on historical data and that's why Ezoic is constantly adjusting this. So Ezoic over time will actually show fewer ads to visitors. This is the exact opposite of how many ad ops professionals and ad ops shops operate, where basically they're only worried about the bottom line and making more money.

ALL ADS DILUTE EACH OTHER. Like being in a grocery aisle. If there are only two types of mustard, the chance of you seeing both brands is extremely high. If these mustard companies were paying to put their bottles there, they would probably spend a good amount of money to be there (similarly, the mustards would be more expensive for you because there isn't much competition). Now, let's think of a

modern grocery store. There are probably 15 different mustard companies that then also have different types of mustard. The likelihood of you seeing a particular bottle is way less likely; if the mustard companies were paying to be there, they probably wouldn't spend as much. Competition also drives down the prices of these mustards for consumers).

Ads are no different. They are going to dilute each other.

Additionally, programmatic ad rates are BASED ON HISTORICAL DATA. The more ad dilution occurs on your website and the less those ad spaces are worth, the lower the bids become for those spaces and the less money you make.

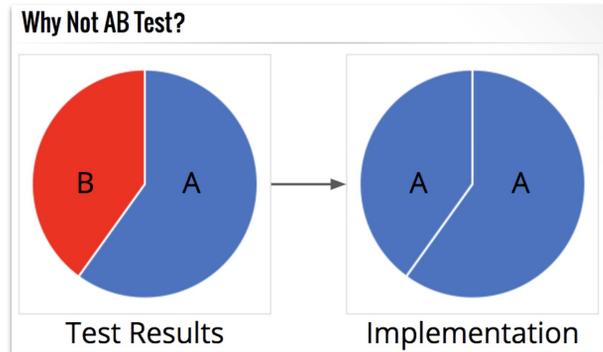
And since programmatic ads are based on historical data, if your site is brand new, there isn't a lot of information for advertisers to look at so they don't know how to bid on the spaces on your site, and will likely aim low. 7,000 visits is generally what it takes to make a statistically valid sample size. This is why it is good to start with Ezoic early and get *good* historical data on the books as soon as possible.

The issues with A/B testing come with implementation...

So how is this problem solved?

Continuous multivariate testing; which is what Ezoic will do automatically according to your preferences...

- Placeholders
- Settings



You might think, well why can't I just test this myself? Why can't I figure out when and where to show more ads and when I should show less?

The reason is because it's going to be different for each visitor. Remember how supply and demand changed and we talked about that in course number one. Realistically, A/B testing has a major problem and it's the loser's dilemma.

Let's say you do an A/B test and 60% of the audience likes A and 40% likes B - what do you give them? If you give everyone A, the B people get forgotten about, and that is the money that you're leaving on a table when you're doing just A/B testing.

This is why multivariate testing and implementing solutions based on a per visitor understanding of how they behave is the best and most optimal solution which is what Ezoic does and that's where machine learning comes into play.

Multivariate testing (depending on the number variables) can take a whole team of people weeks, months, or even years to implement. Plus, once the changes are implemented, the variables are always shifting, and if you don't constantly update the parameters of testing, you will see diminishing returns in the results.

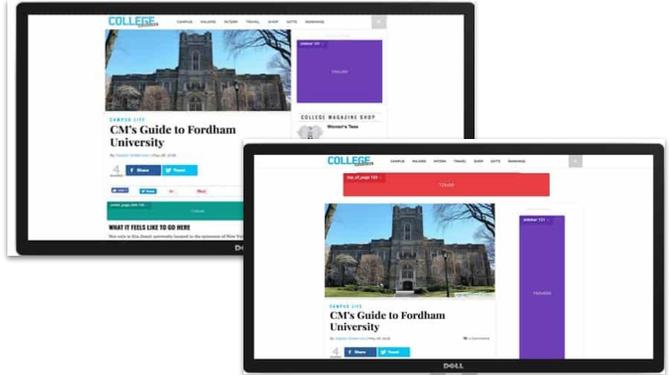
Ezoic ad placeholders

Ezoic use “placeholders” so that machine learning can test different combinations of sizes, networks, and locations on a PER VISITOR BASIS

That’s why our core monetization feature is called, **Ad Tester**.

Ezoic’s machines run tests to ensure that your site’s goals are met + always optimizing around those goals for the best...

- User experiences
- Revenue
- Long-term ad rates



I mentioned at the very start of our course that Ezoic doesn't actually use traditional ad units or ad tags, Ezoic uses placeholders. This allows machines to basically test these different combinations of sizes, networks, and locations on a per visitor basis, in order to maximize supply and demand to receive the best bids and make more money.

Ezoic can also control things like the number of ads on a page and where they show. Contrast to traditional ad tags where you put an ad tag on a page and an ad 100% will show there, an Ezoic ad placeholder just means an ad could **potentially** show there. It means Ezoic might put an ad there, but it might not.

With Ezoic, you can set controls to show a 300x250 or 728x90 or a 970x250 ad. You can choose which ad sizes to display, but all these variables are things that Ezoic will then test and we'll optimize for. If I go to a website and then my wife comes to one, we're going to behave differently. Ezoic will automatically optimize for whether or not the visitor is bouncing, if they're visiting multiple pages, if they're spending a long time on the site, the combination of sizes or number of ads that generate the most revenue, not just for everyone, but for individuals that have different behaviors.

Depending on what your goals are, Ezoic optimizes for that. So if you say the most important thing is my user's experience Ezoic optimized for that. The same can be said for revenue, and you can even set custom goal settings. If you say the most important thing to me is bounce rate, Ezoic will optimize so that it shows the combination that results in the lowest bounce rate.

We recommend the balanced setting. Balanced is probably the most optimal setting that will both optimize and continue to grow your revenue over time, while also taking into account user experience.

Ezoic ad placeholders

Ezoic use “placeholders” are potential locations

Unlike an ad unit, a **placeholder may or may not actually display an ad** in that location to an actual reader...

The more variables, the faster optimization takes place, and the better chances revenue, UX, and any other goals are achieved.



This is a good example of how ad placeholders are added to site. Rather than getting into the code, Ezoic allows you to drag and drop placeholders onto your site using our Chrome extension.

Unlike an ad unit, a placeholder may or may not display, and you can choose where and what sizes you would want to display, and on what devices. Then those placeholders will actually be tested by Ezoic. We actually import knowledge that we have from the thousands of sites using Ezoic to try to make smart decisions about what to test and to what types of visitors.

Keep in mind there are things you can control and there's things you can't control. You can control the ad size and add location and Ezoic will do that in the most optimal way for you. You can't control things like the visitors location or what traffic source they're coming from and those variables may determine what we know the advertisers will bid on, so that may change how we place different ads or even the ultimate number of ads that show on a page to different visitors.

Ezoic ad placeholders

Ezoic provides lots of controls so that your best interests are always served.

You can even customize goals

The image displays three overlapping screenshots of the Ezoic dashboard interface:

- OPTIMIZATION GOALS:** A panel titled "OPTIMIZATION GOALS" with the subtitle "Select how you want to optimize your site." It features two sliders: "Revenue" set to 50% and "User Experience" set to 50%. Below are "Revenue Options" and "UX Options" tabs. Under "Revenue Options", there are sliders for "Earnings / Revenue" (set to 100%), "Viewability" (0%), "Page CPM" (0%), and "Impression CPM" (0%). A "TOTAL: 100%" is shown at the bottom. "CLOSE" and "SAVE" buttons are at the bottom right.
- DISABLE ADS BY PAGE:** A panel titled "DISABLE ADS BY PAGE" with tabs for "Page Rules" and "Ad Tester". It includes a "URL" dropdown, a "Search" input field, and a "NEW RULE" button. A note states: "If there is a page or directory on your site that you do not want any ads on, you can add a rule to disable them."
- ANCHOR ADS SETTINGS:** A panel titled "ANCHOR ADS SETTINGS" with tabs for "Site Wide", "Additional Settings", and "Custom Code". It shows "Anchor Ads" as "ON" and "Desktop", "Tablet", and "Mobile" as "ON".



So you might say, well, I liked the way that a site looks when it has ads in these locations, and that's great. I think that it's important that publishers understand and are able to control all the different aspects of their site.

You might say, as much as I like making money on my website, I really want it to look this way or look that way. Even if that costs you money, Ezoic has given you the ability to control these things yourself. You can disable ads on a page. You can disable certain types of ads, you can optimize and set goals so that Ezoic will optimize purely for the things that you find to be the most important.

Ezoic and Ad Tester come in

Ad Tester was engineered to help strike the right balance between ad revenue and UX.

The machine learning that powers Ad Tester performs continuous multivariate testing on a per-user, per-visit basis.

Ad variables tested:

- ad color
- ad size
- ad type
- ad location
- ad density
- ads per page,
- ads per pageview

Visitor behavior variables tested:

- time of day of visit
- day of the week of visit
- traffic source
- device type
- scroll depth
- geographic location
- and other behavior



I mentioned all the variables, and these are the things that Ad Tester is taking into account among many others. It can change things like ad color, size, type, location, density, and can account when visitors' variables change. Whether it's the time of day, the traffic source or device type, Ezoic will be able to determine these things and then optimize based on those inherent variables as well.

The proof is in the data. Ezoic helps manage complexity and maximize revenue.

Of 300 Ezoic publishers who were live from January 2019 to January 2020, all saw improvements across the board in revenue and user experience metrics.

The machine learning that powers Ad Tester figures out over time which sets of variables are most beneficial to UX and revenue, and since these variables are always shifting, the machines are always testing. This is how most publishers see an average of 50% uplift in revenue.

87%

INCREASE AVG.
REVENUE/SESSION

36%

INCREASE MONTHLY TRAFFIC

93%

INCREASE TOTAL MONTHLY
REVENUE

21%

INCREASE AVG. TIME ON SITE



The proof is really in the data. Ezoic helps manage the complexity and the revenue of all of this for publishers. All you have to do is really flip some switches. If you want more control than that, it gives you all the attributes and abilities to adjust those things yourself.

We did a study of over 300 publishers from January 2019 to January 2020. The average increase in revenue per session was 87%, 36% increase in monthly traffic, a 21% increase in average time on site, and a 93% total increase in monthly revenue.

While this is a small sample size, it paints a picture that we've seen time after time and that is that Ezoic is the best mechanism that publishers have to extract the best value from their website, no matter how much time and energy they want to spend on managing that.

This really summarizes where Ezoic provides value for our publishers in the realm of digital advertising. That was really the point of course number two. I hope that this helps give you a better idea how Ezoic works inside of the advertising space.

I want to remind everyone that there are two more courses and you must complete all the courses before you can take the final test and access the platform. Until then, I will see you on the course number three.

