Parallel Bidding

(aka In-app Header Bidding):

First Results and Takeaways

APPODEAL

Introduction

Header bidding, the revolutionary technology that reshaped the web marketing landscape a few years ago is the buzzword of the moment in the mobile market. Everyone is wondering whether it could work the same way for the in-app environment.

Both ad mediation platforms and ad demand sources have invested a lot of time and resources exploring in-app header bidding and combining it with their current models. The industry started treating in-app header bidding as a magic pill that can reveal hidden opportunities in the market, but how has it been working so far? Moreover, why should mobile app publishers even care about it?

At Appodeal, we were eager to answer these questions, so we developed **Parallel Bidding**, our very own solution to in-app header bidding. We've been working on its concept since May 2017, and started developing the technology in January 2018. In May 2018, we integrated the first ad network and invited a couple of our major clients to test it out. Now, after eight months of tests and experiments, we're thrilled to be the first to open the discussion share real results of Parallel Bidding.

In this report, you'll see how Parallel Bidding has been proving itself so far. You'll see how the technology affected ARPDAU, eCPM, and impressions of the participating ad network. In addition, you'll learn about the future of Parallel Bidding from our new roadmap. We're sure that you'll enjoy reading.

Sincerely, Appodeal Team

First Results:

How We're Testing The Technology

One of the major apps we've tested with **Parallel Bidding** has demonstrated encouraging early results with one of the major ad networks integrated as a "parallel bidding" ad network*. Even though the testing period is quite short, and we're still in the process of integrating more ad networks, we consider these results quite promising in terms of the future of the technology.

The overall increase occurred because of better access to the publisher's inventory and a better fill rate that PB Ad Network could achieve thanks to the real-time auction. PB Ad Network doesn't have to rely on historical performance anymore; it can compete in real-time and suggest a higher bid for the publisher.

* *This ad network wishes to remain anonymous for the time being and will be referred to as "PB Ad Network" in this report*

You can see the increased number of impressions from **PB Ad Network** in the chart №1 and №2 for a period of July-August. The Parallel Bidding technology was enabled on August 14th.

As you can see from charts №1 and №2, due to enabled Parallel Bidding technology, PB Ad Network was able to "learn" the app traffic and its quality and as a result, increase the number of impressions and start paying more to the publisher.

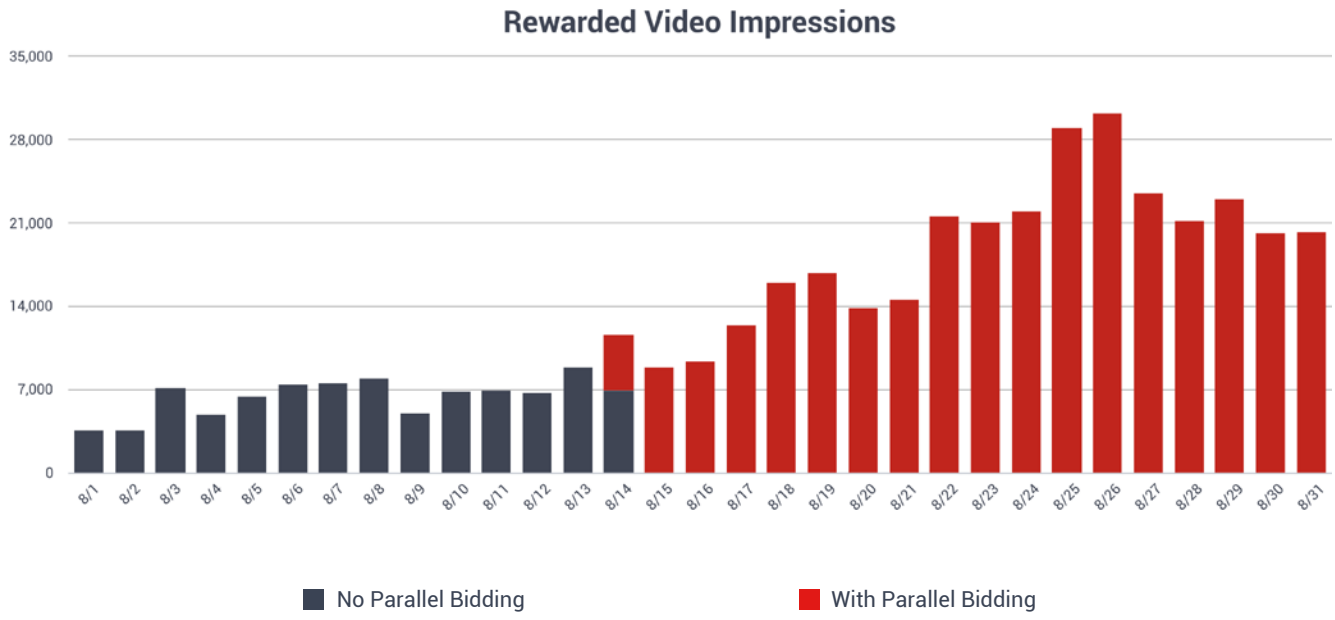


Chart 1. Increase in **PB Ad Network** impressions with Parallel Bidding (rewarded video).

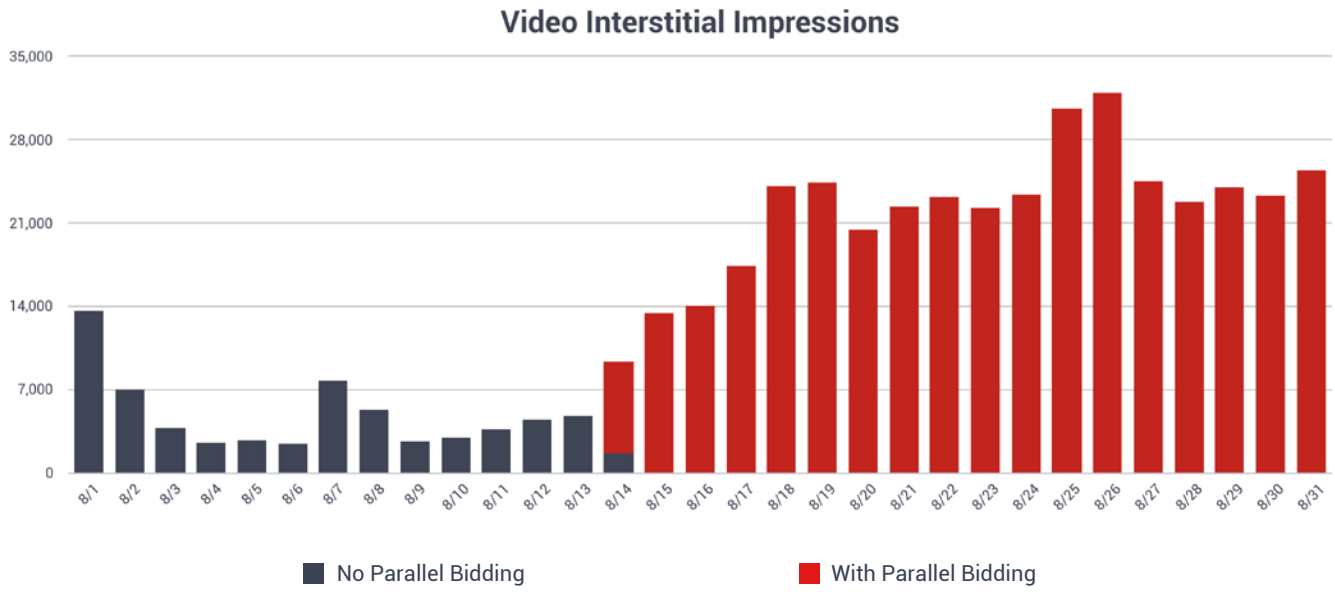


Chart 2. Increase in **PB Ad Network** impressions with Parallel Bidding (interstitials).

With real-time auctions, ad networks get better overall access to the app's traffic. As soon as they learn the value of the traffic, they are incentivized to start paying more to get more impressions. Thus, both ad networks and publishers benefit from having Parallel Bidding integrated. It's crucial to have more than just one ad network running with Parallel Bidding — it helps to create a real competition for the inventory between ad demand sources.

Currently, at Appodeal we have **four ad networks** integrated into SDK version 2.4.5, and we'll **double this amount** in SDK version 2.5.0. While integrating Parallel Bidding is a no-brainer for publishers — all the publisher needs is to download the SDK — it's way more involved for an ad network. Due to the novelty of Parallel Bidding technology, there's no unified standard one ad network can adopt, so the market players have joined forces to streamline the process in the near future.

Besides the increased number of impressions, we observed a similar positive change of average ARPDAU and eCPM in comparison to a period before Parallel Bidding was activated *(May-June)*.

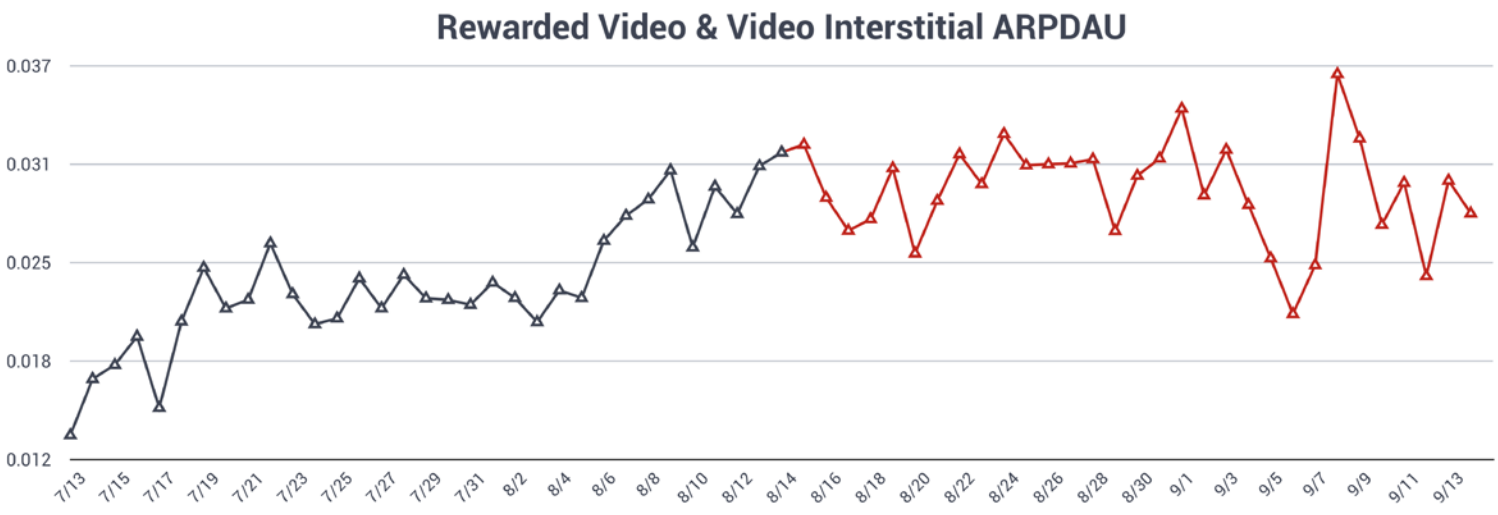


Chart 3. Increase in general ARPDAU with Parallel Bidding.

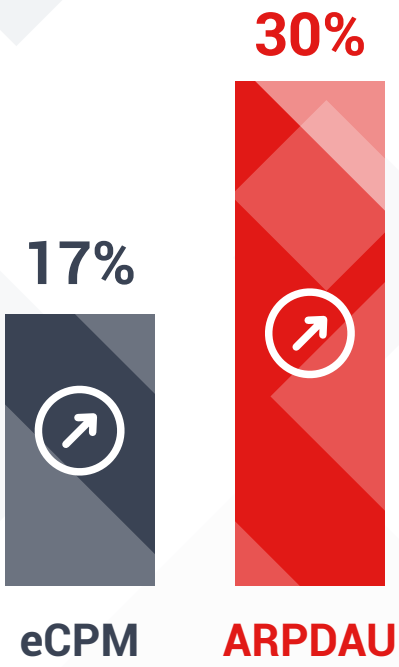


Chart 4. Increase in eCPM and ARPDAU from June-July 2018 (without Parallel Bidding) to August-September 2018 (with Parallel Bidding)

Such results look very promising. In the ever-changing and unfair world of mobile advertising, publishers and ad networks finally got a chance to stand together and benefit from each other by participating in real-time auction.

Appodeal encourages publishers and ad demand sources to join the movement of making the ad market fair. We're just getting started with Parallel Bidding — but we have big plans for this state-of-the-art technology *(see the roadmap below)*.

Feel free to write us at hi@appodeal.com if you have any questions about tests, want to test it out as a publisher, or if you'd like to integrate with Parallel Bidding from an ad demand partner side.

Parallel Bidding
Roadmap

1. **More ad network integrations:**
   adding **nine more** partners

2. **New Appodeal SDK (2.5.0) with updated PB**

3. **New SDK algorithm for Parallel Bidding:**
   - One call to Exchange
   - Step-by-step inits of third-party SDKs

4. **Demand control center integration:**
   publisher will be able to create individual setups for PB settings

5

Extended statistic for ad networks that will include:

Bid rate, win rate, impressions, click, viewability, etc.

Tmax, errors, impressions, delays

6

New Data Center in the US that will significantly decrease auction tmax

7

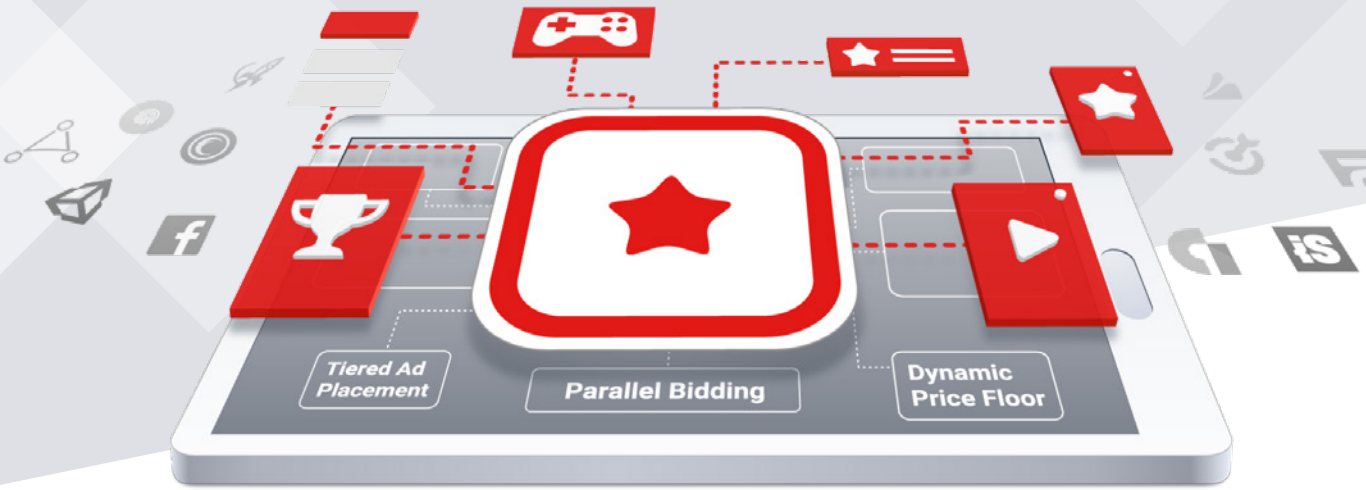
Make Parallel Bidding protocol public for any kind of partnership integration

8

Server-side callout optimization:

we'll reduce the number of requests outgoing to ad networks with revenue optimization

About Appodeal



With just one SDK integration, mobile app publishers gain access to 60+ ad demand sources competing against each other in real-time auction for every single ad impression.

Complete with all major mobile ad formats, unbiased Parallel Bidding ad mediation technologies, ad server, ad exchange, and full ad monetization controls, Appodeal is elevating the ad monetization experience for publishers and bringing a new level of transparency to the ad tech market.

Feel free to write us at hi@appodeal.com if you have any questions about tests, want to test the technology out as a publisher, or if you'd like to integrate with **Parallel Bidding** from an ad demand partner side.

About the report

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