What's Your Goal?

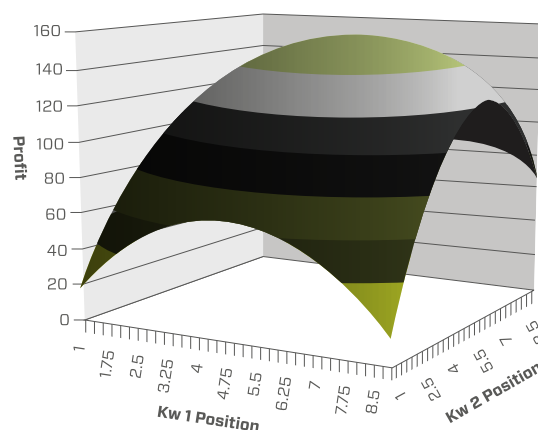## Kenshoo Portfolio Optimizer™ powered by MBBP 3.0

Kenshoo's proprietary solution for portfolio bid optimization runs predictive models and automatically clusters keywords across multiple attributes to maximize campaign results.

Are you looking to change bids or is that just a means to an end?

Kenshoo Portfolio Optimizer (KPO) doesn't just manage your bids, it optimizes them to maximize your end goal:

- **Profit**
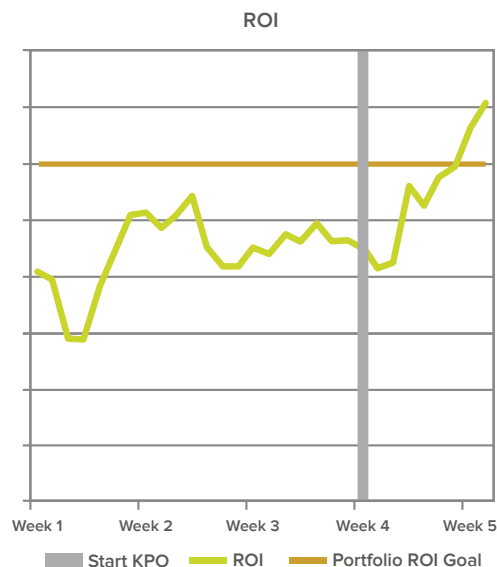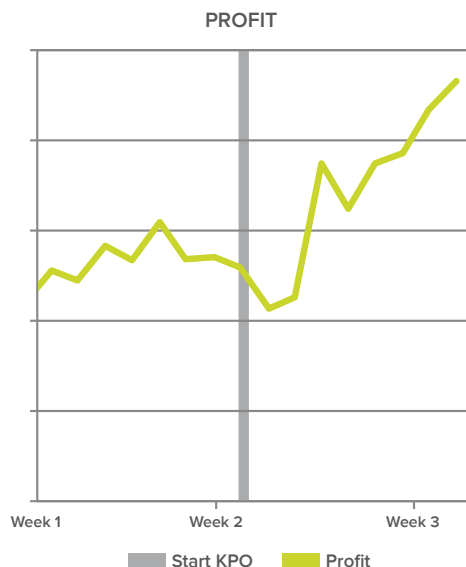- **Revenue**
- **Conversions**
- **Traffic**

Powered by version 3.0 of Kenshoo's proprietary Model-Based Bid Policies (MBBP), KPO leverages advanced algorithms to compile historical data and build hundreds of thousands of statistical models, gaining unmatched insights into the impact of each bid change upon your entire keyword portfolio.

KPO delivers the ultimate results through its patent-pending model-based bid policies:

- **Intelligent Automation**
- **Adaptive Historical Weighting**
- **Dynamic Clustering**
- **Custom Seasonality**
- **Performance Forecasting**
- **Marginal ROI Optimization**
- **Self-Learning Algorithm**
- **Flexible Configuration**

Kenshoo Portfolio Optimizer Drives Dramatic Increase in Daily Profit for Leading Web Publisher

PROFIT

Week 1   Week 2   Week 3

Start KPO   Profit

ROI

Week 1   Week 2   Week 3   Week 4   Week 5

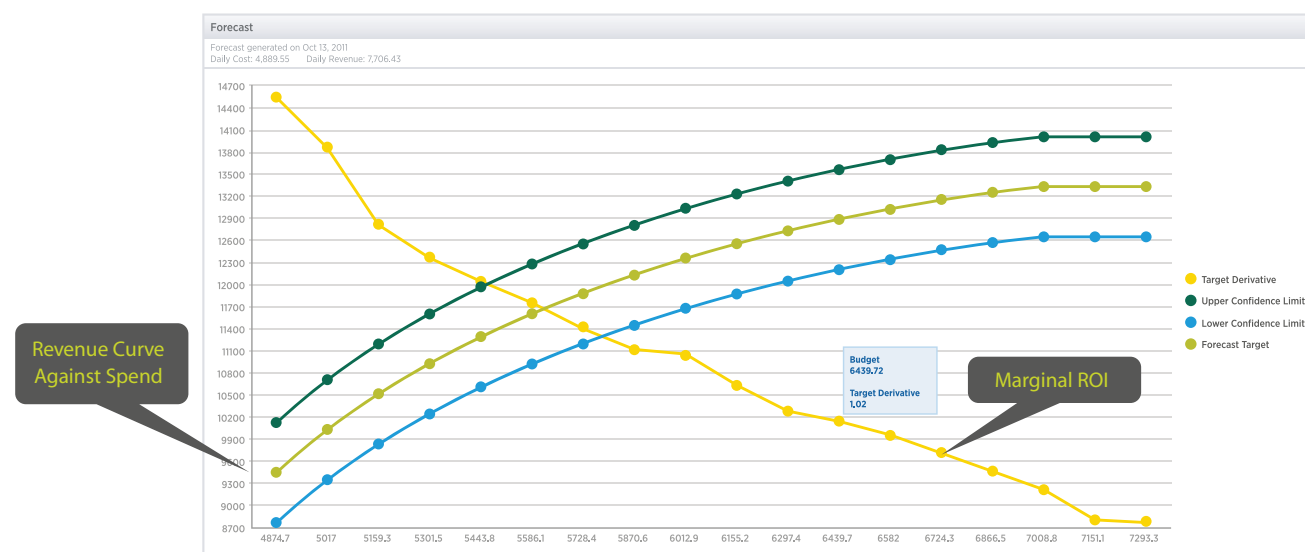Start KPO   ROI   Portfolio ROI Goal

Why KPO?

Marginals-Based Optimization

KPO performs millions of calculations every day to understand the value derived from the next unit of spend invested in a portfolio. By focusing on marginal ROI, the KPO algorithm considers the opportunity cost of each keyword and takes holistic action across the portfolio to maximize results.
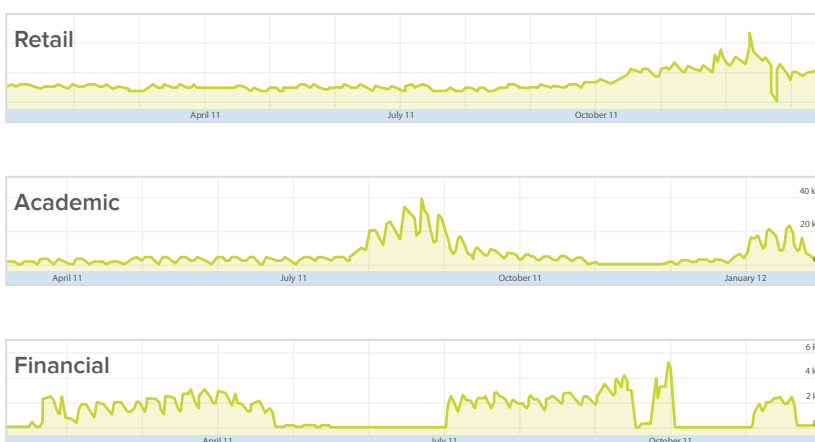
Performance Forecasting

KPO technology is based on statistical models that accurately report on predicted future performance so you can make strategic decisions with unmatched clarity.

Forecast

Forecast generated on Oct 13, 2011
Daily Cost: 4,889.55   Daily Revenue: 7,706.43

Revenue Curve Against Spend

Marginal ROI

Budget
6439.72

Target Derivative
1.02

Legend:
- Target Derivative
- Upper Confidence Limit
- Lower Confidence Limit
- Forecast Target
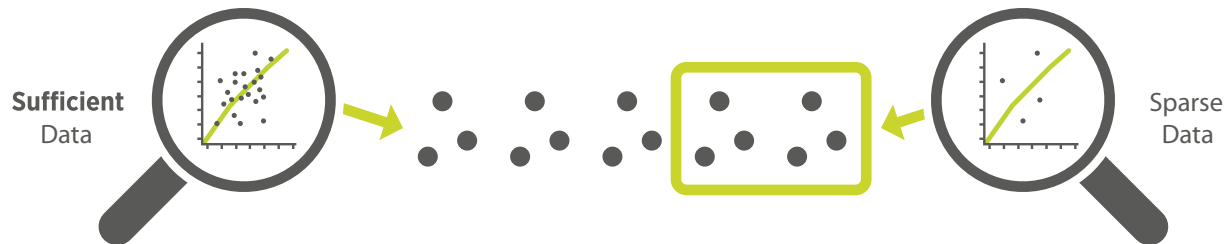
Flexible Configuration

Each business and each keyword portfolio is unique, which is why KPO allows you to train the algorithms and models to achieve peak optimization. Incorporate your custom marketing/performance seasonality calendars to teach KPO to expect jumps in traffic around promotions or important holidays.

Start Date	End Date	Description
15-Jun	July 1	Clearance Sale
15-Aug	30-Sep	Back to School Promotion
1-Dec	31-Jan	Holiday Promotion

Retail

Academic

Financial

Dynamic Clustering

With KPO, data scarcity is not a problem. KPO automatically clusters keywords with similar traits by matching more than a dozen different attributes to build models for keywords with little or no data including campaign structure, meta-data, destination URL, and performance. These clusters are reevaluated every day and updated as needed to drive maximum impact on the portfolio goal.

Adaptive Historical Weighting

KPO analyzes historical data to predict how well it may inform upcoming events through a mathematical model that uses adaptive historical weighting to develop the most accurate predictions. Other systems simply look back longer and longer in time until they have enough data to make a decision, even if some of the data is stale or irrelevant – optimizing to the past and not for the future. KPO takes a broader, smarter look at the data to give you the best possible predictive information.

Intelligent Automation

KPO is a fully automated system. You set the portfolio goals and KPO goes to work. Other solutions require you to manually bucket keywords into folders based on performance. This manual process not only takes time but it's a sub-optimal way to manage bids and meet your goals.

Ultimate Transparency

KPO is not a black box. You can preview all suggested bid changes recommended by the KPO algorithm at the keyword level.