

AppNexus + Light Reaction

How the AppNexus Programmable Platform Helped Light Reaction Achieve Better Results in Less Time

THE CHALLENGE

Light Reaction Germany (LRG) is one of Europe's biggest and most successful performance focused agencies. But while the team was achieving great results for the brands it works with, it was also facing two challenges that most traders are familiar with:

- **Lagging CTRs at the beginning of campaigns.** LRG's legacy bidding algorithms needed a few days to buy impressions, accumulate data, and identify the optimal bidding strategy. During those first few days, KPIs like CTR tend to be low, while both precious time and budget are lost to experimentation.
- **Long setup times.** Complex targeting and bidding criteria required large bidding algorithms that could take traders 30 minutes or more to put together. That might not sound like much, but when you consider how many algorithms an agency like LRG runs each year, it adds up to hours of lost productivity.

As a member of the Xaxis family, LRG knows the power of data. They knew they had all the information they needed to create effective, hyper-targeted solutions for their clients – they just needed a tool to harness that data more efficiently.

THE SOLUTION

That tool ended up being the AppNexus Programmable Platform. This tool solves the problems described above by making line item setup more intuitive for traders and by finding the optimal bidding strategy earlier in the line item's lifespan.

At AppNexus, we think that optimization should “just work,” and no product embodies that more than the AppNexus Programmable Platform. Traders simply input their desired KPI – CTR, CPC, CPA, etc. – and AppNexus uses machine learning to continuously evaluate **what inventory to bid on** and **how much money to bid**, based on numerous factors including the line item's delivery, KPI performance, targeting and more.

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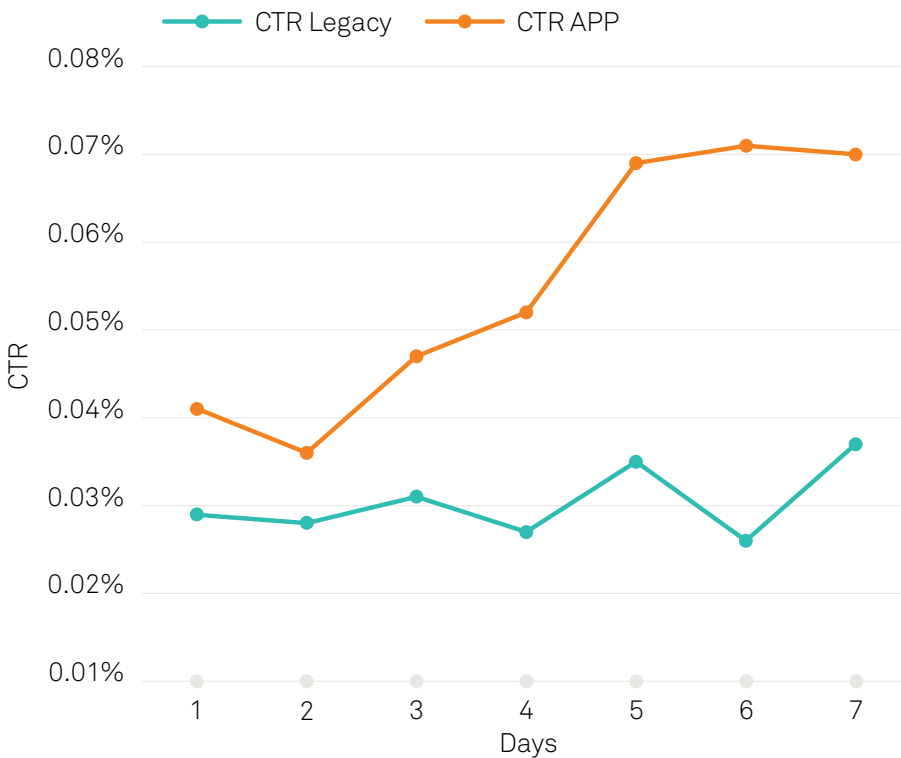
Joern Strehlau, Head of Xaxis, Data and Product at [m]platform, Light Reaction Germany



THE RESULTS – BETTER OUTCOMES, AUTOMATICALLY

The AppNexus Programmable Platform had an immediate impact on LRG's ability to achieve results, and could do so much faster than their legacy solution. Check out the graph below comparing the average CTR over the first week of campaigns for LRG's previous approach versus the new.

As you can see, with the legacy solution, CTRs hovered between 0.025% and 0.04% during the first week. The AppNexus Programmable Platform on the other hand, was able to drive CTRs of up to 0.07% during this initial phase, an **improvement of roughly 75%**. AppNexus helped LRG achieve these results for their clients, by quickly discovering users with a higher probability to click and ultimately convert after visiting the clients landing page. This led to higher overall CTRs and cut down the amount of budget previously spent trying out different strategies.



There was an immediate impact on productivity by drastically cutting down the amount of time traders had to spend setting up line items. While this process had previously taken them an average of 30 minutes, the AppNexus Programmable Platform shortened setup time to 15 minutes, for a **50% reduction**.

The AppNexus Programmable Platform drives better results for LRG, makes its traders more productive, and keeps the firm on the cutting edge of trading strategy.





About Light Reaction

Light Reaction is a programmatic performance advertising business that sells clearly defined customer outcomes. Part of Xaxis, the world's largest programmatic media and technology platform, Light Reaction's mobile-first approach to performance combines scientific insight with the data resources and scale of Xaxis to deliver highly measurable results for global advertisers. Light Reaction is available in 20 markets across North America, Europe, Asia and the Middle East.

For more information, visit Light Reaction at www.lightreaction.com



About AppNexus

AppNexus is an internet technology company that enables and optimizes the real-time sale and purchase of digital advertising. Our powerful, real-time decisioning platform supports core products that enable publishers to maximize yield; and marketers and agencies to harness data and machine learning to deliver intelligent and customized campaigns. Headquartered in New York City, AppNexus employs over 1000 professionals in offices spanning five continents.

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