

STANFORD UNIVERSITY
DEPARTMENT OF STATISTICS
DEPARTMENTAL SEMINAR

4:15 p.m., Tuesday, November 1, 2005
Sequoia Hall Room 200
(Cookies at 3:45 in 1st Floor Lounge)

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Sponsored Search: Theory and Practice

Web Search is an essential navigation technology for the World Wide Web, yet is provided for free to consumers. This is possible due to *Sponsored Search*, the delivery of relevance-targeted text advertisements as part of the search experience. Sponsored search has evolved to satisfy users' need for relevant search results and advertisers' desire for qualified traffic to their Web sites and is now considered to be among the most effective marketing vehicles available.

I will quickly survey the history of sponsored search and present a framework for understanding the underlying economic ecosystem. I will present the relevant aspects of auction theory that bare on the analysis and optimization of sponsored search. Finally I will discuss the underlying statistical prediction problems.