

# Composite Social Network for Predicting Mobile Apps Installation

Wei Pan and Nadav Aharony and Alex (Sandy) Pentland

MIT Media Laboratory  
20 Ames Street  
Cambridge, Massachusetts 02139

## Abstract

We have carefully instrumented a large portion of the population living in a university graduate dormitory by giving participants Android smart phones running our sensing software. In this paper, we propose the novel problem of predicting mobile application (known as “apps”) installation using social networks and explain its challenge. Modern smart phones, like the ones used in our study, are able to collect different social networks using built-in sensors. (e.g. Bluetooth proximity network, call log network, etc) While this information is accessible to app market makers such as the iPhone AppStore, it has not yet been studied how app market makers can use these information for marketing research and strategy development. We develop a simple computational model to better predict app installation by using a composite network computed from the different networks sensed by phones. Our model also captures individual variance and exogenous factors in app adoption. We show the importance of considering all these factors in predicting app installations, and we observe the surprising result that app installation is indeed predictable. We also show that our model achieves the best results compared with generic approaches: our prediction results are four times better than random, and reach almost 45% prediction precision with 45% recall.

## Introduction

Recent research projects have demonstrated that social networks correlate with individual behaviors, such as obesity (Christakis and Fowler 2007) and diseases (Colizza et al. 2007), to name two. Many large-scale networks are analyzed, and this field is becoming increasingly popular (Eagle, Macy, and Claxton 2010) (Leskovec, Adamic, and Huberman 2007).

We are interested in studying the network-based prediction for mobile applications (referred as “apps”) installation, as the mobile application business is growing rapidly (Ellison 2010). The app market makers, such as iPhone AppStore and Android Market, run on almost all modern smart phones, and they have access to phone data and sensor data. As a result, app market makers can infer different types of networks, such as the call log network and

the bluetooth proximity network, from phone data. However, it remains an unknown yet important question whether these data can be used for app marketing. Therefore, in this paper we address the challenge of utilizing all different network data obtained from smart phones for app installation prediction.

It is natural to speculate that there are network effects in users’ app installation, but we eventually realize that it was very difficult to adopt existing tools from large-scale social network research to model and predict the installation of certain mobile apps for each user due to the following facts:

1. The underlying network is not observable. While many projects assume phone call logs are true social/friendship networks (Zhang and Dantu 2010), others may use whatever network that is available as the underlying social network. Researchers have discovered that call network may not be a good approximation (Eagle and Pentland 2006). On the other hand, smart phones can easily sense multiple networks using built-in sensors and software: a) The call logs can be used to form phone call networks; b) Bluetooth radio can be used to infer proximity networks (Eagle and Pentland 2006); c) GPS data can be used to infer user moving patterns, and furthermore their working places and affiliations (Farrahi and Gatica-Perez 2010); d) Social network tools (such as the Facebook app and the Twitter app) can observe users’ online friendship network. In this work, our key idea is to infer an *optimal composite network*, the network that best describes app installation, from multiple layers of different networks easily observed by modern smart phones, rather than assuming a certain network as the real social network explaining app installation.
2. Analysis for epidemics (Ganesh, Massoulié, and Towsley 2005) and Twitter networks (Yang and Leskovec 2010) is based on the fact that network is the only mechanism for adoption. The only way to get the flu is to catch the flu from someone else, and the only way to retweet is to see the tweet message from someone else. For mobile app, this is, however, not true at all. Any user can simply open the AppStore (on iPhones) or the Android Market (on Android phones), browse over different lists of apps, and pick the one that appears most interesting to the user to install without peer influence. One big challenge, which

makes modeling the spreading of apps difficult, is that one can install an app without any external influence and information. One major contribution of this paper is that we demonstrate it is still possible to build a tool to observe network effects with such randomness.

3. The individual behavioral variance in app installation is so significant that any network effect might possibly be rendered unobservable from the data. For instance, some geek users may try and install all hot apps on the market, while many inexperienced users find it troublesome even to go through the process of installing an app, and as a result they only install very few apps.
4. There are exogenous factors in the app installation behaviors. One particular factor is the popularity of apps. For instance, the Pandora Radio app is vastly popular and highly ranked in the app store, while most other apps are not. Our model takes this issue into account too, and we show that exogenous factors are important in increasing prediction precision.

Classic diffusion models such as Granovetter’s work (Granovetter and Soong 1983) are applicable to simulation, but lack data fitting and prediction powers. Statistical analysis used by social scientists such as matched sample estimation (Aral, Muchnik, and Sundararajan 2009) are only for identifying network effects and mechanism. Recently works in computer science for inferring network structure assume simple diffusion mechanism, and are only applicable to artificial simulation data on real networks (Gomez Rodriguez, Leskovec, and Krause 2010) (Myers and Leskovec 2010). On the other hand, our work addresses the above issues in practical app marketing prediction. On the mobile-based behavioral prediction side, The closest research is the churn prediction problem in mobile networks (Richter, Yom-Tov, and Slonim 2010), which uses call logs to predict users’ future decisions of switching mobile providers. To our knowledge, we don’t see other related works for similar problems.

## Data

We collected our data from March to July 2010 with 55 participants, who are residents living in a married graduate student residency of a major US university. Each participant is given an Android-based cell phone with a built-in sensing software developed by us. The software runs in a passive manner, and it didn’t interfere the normal usage of the phone.

Our software is able to capture all call logs in the experiment period. We therefore obtained a call log network between all participants by treating participants as nodes and the number of calls between two nodes as weights for the edge in-between. The software also scans nearby phones and other Bluetooth devices every five minutes to capture the proximity network between individuals. The counts on the number of Bluetooth hits are used as edge weights similar to the call log network as done in Eagle et al (Eagle and Pentland 2006). We have also collected the affiliation network and the friendship network by deploying a survey, which lists all the participants and

ask each one to list their affiliations (i.e. the academic department), and rate their relationships with everyone else in the study. We believe for app market makers the affiliation network can also be inferred simply by using phone GPS/cell tower information as shown by Farrahi et al (Farrahi and Gatica-Perez 2010). However, this is not the focus of this work, and here we simply use survey data instead. Though the friendship network is also collected using surveys, we suggest that the app market makers can obtain the friendship network from phones by collecting data from social networking apps such as the Facebook and Twitter apps. We summarize all the networks obtained from both phones and surveys in Table 1. We refer to all networks in Table 1 as *candidate networks*, and all candidate networks will be used to compute the optimal composite network. It should be noted that all networks are reciprocal in this work.

We want to emphasize the fact that the network data we used in Table 1 are obtainable for app market makers such as Apple iTunes Store, as they have access to phone sensors as well as user accounts. Therefore, our approach in this paper can be beneficial to them for marketing research, customized app recommendation and marketing strategy making.

Our built-in sensing platform is constantly monitoring the installation of mobile apps. Every time a new app is installed, this information will be collected and sent back to our server within a day. Overall, we receive a total of 821 apps installed by all 55 users. Among them, 173 apps have at least two users. For this analysis, we only look at app installations and ignore un-installations. We first demonstrate the distribution of the apps in the study: In Fig. 1(a), we plot the distribution of number of users installing each app. We discover that our data correspond very well with a power-law distribution with exponential cut. In Fig. 1(b), we plot the distribution of number of apps installed per user, which fits well with an exponential distribution.

Fig. 1(a) and 1(b) illustrate detailed insight into our dataset. Even with a small portion of participants, the distribution characteristic is clearly observable. We find that apps have a power-law distribution of users, which suggests that most apps in our study community have a very small user pool, and very few apps have spread broadly. The exponential decay in Fig. 1(b) suggests that the variance of individual user is significant: There are users having more than 100 apps installed, and there are users having only a couple of apps.

## Model

In this section, we describe our novel model for capturing the app installation behaviors in networks. In the following content,  $\mathbf{G}$  denotes the adjacency matrix for graph  $G$ . Each user is denoted by  $u \in \{1, \dots, U\}$ . Each app is denoted by  $a \in \{1, \dots, A\}$ . We define the binary random variable  $x_u^a$  to represent the status of adoption (i.e. app installation):  $x_u^a = 1$  if  $a$  is adopted by user  $u$ , 0 if not.

As introduced in the previous section, the different social relationship networks that can be inferred by phones are denoted by  $\mathbf{G}^1, \dots, \mathbf{G}^M$ . Our model aims at inferring an optimal composite network  $\mathbf{G}^{\text{opt}}$  with the most predictive power from all the candidate social networks. The weight of edge

Network	Type	Source	Notation
Call Log Network	Undirected,Weighted	# of Calls	$G^c$
Bluetooth Proximity Network	Undirected,Weighted	# of Bluetooth Scan Hits	$G^b$
Friendship Network	Undirected,Binary	Survey Results (1: friend; 0: not friend)	$G^f$
Affiliation Network	Undirected,Binary	Survey Results (1: same; 0: different)	$G^a$

Table 1: Network data used in this study.

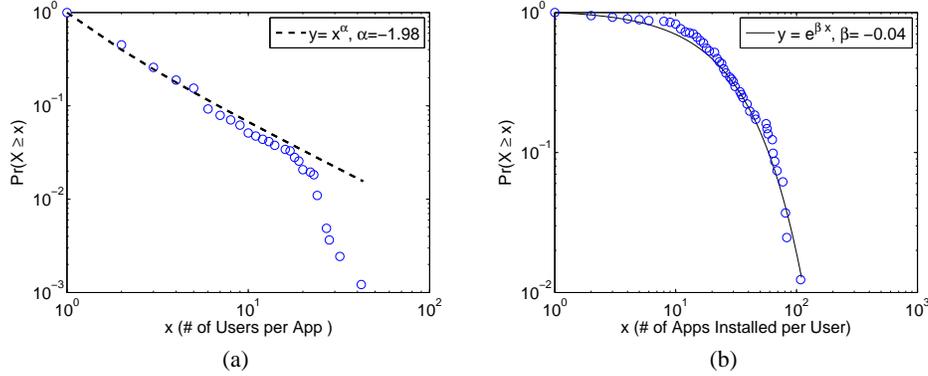


Figure 1: Circles are real data, and lines are fitting curves. Left: Distribution of number of users for each app. Right: Distribution of number of apps each user installed.

$e_{i,j}$  in graph  $\mathbf{G}^m$  is denoted by  $w_{i,j}^m$ . The weight of an edge in  $\mathbf{G}^{\text{opt}}$  is simply denoted by  $w_{i,j}$ .

### Adoption Mechanism

One base idea of our model is the non-negative accumulative assumption, which distinguishes our model from other linear mixture models. We define  $\mathbf{G}^{\text{opt}}$  to be:

$$\mathbf{G}^{\text{opt}} = \sum_m \alpha_m \mathbf{G}^m, \text{ where } \forall m, \alpha_m \geq 0. \quad (1)$$

The intuition behind this non-negative accumulative assumption is as follows: if two nodes are connected by a certain type of network, their app installation behaviors may or may not correlate with each other; On the other hand, if two nodes are not connected by a certain type of network, the absence of the link between them should lead to *neither positive or negative effect* on the correlation between their app installations. As shown in Table 2 in the experiment session, our non-negative assumption brings significant performance increase in prediction. Non-negative assumption also makes the model stochastic and theoretically sound. We treat binary graphs as weighted graphs as well. Since  $\alpha_1, \dots, \alpha_M$  is the non-negative weights for each candidate network in describing the optimal composite network. We later refer to the vector  $(\alpha_1, \dots, \alpha_M)$  as the optimal composite vector. Our non-negative accumulative formulation is also similar to mixture matrix models in machine learning literature (El-Yaniv, Pechyony, and Yom-Tov 2008).

We continue to define the network potential  $p_a(i)$ :

$$p_a(i) = \sum_{j \in \mathcal{N}(i)} w_{i,j} x_j^a, \quad (2)$$

where the neighbor of node  $i$  is defined by:

$$\mathcal{N}(i) = \{j | \exists m \text{ s.t. } w_{i,j}^m \geq 0\}. \quad (3)$$

The potential  $p_a(i)$  can also be decomposed into potentials from different networks:

$$p_a(i) = \sum_m \alpha_m \left( \underbrace{\sum_{j \in \mathcal{N}(i)} w_{i,j}^m x_j^a}_{p_a^m(i)} \right), \quad (4)$$

where  $p_a^m(i)$  is the potential computed from one single candidate network. We can think of  $p_a(i)$  as the potential of  $i$  installing app  $a$  based on the observations of its neighbors on the composite network. The definition here is also similar to incoming influence from adopted peers for many cascade models (Kempe, Kleinberg, and Tardos 2003).

Finally our conditional probability is defined as:

$$\text{Prob}(x_u^a = 1 | x_{u'}^a : u' \in \mathcal{N}(u)) = 1 - \exp(-s_u - p_a(u)), \quad (5)$$

where  $\forall u, s_u \geq 0$ .  $s_u$  captures the individual susceptibility of apps, regardless of which app. We use the exponential function for two reasons:

1. The monotonic and concave properties of  $f(x) = 1 - \exp(-x)$  matches with recent research (Centola 2010), which suggests that the probability of adoption increases at a decreasing rate with increasing external network signals.
2. It forms a concave optimization problem during maximum likelihood estimation in model training.

As shown in the experiment section and based on our experiences, this exponential model yields the best performance.

## Model Training

We move on to discuss model training. During the training phase, we want to estimate the optimal values for the  $\alpha_1, \dots, \alpha_M$  and  $s_1, \dots, s_U$ . We formalize it as an optimization problem by maximizing the sum of all conditional likelihood.

Given all candidate networks, a training set composed of a subset of apps  $\text{TRAIN} \subset \{1, \dots, A\}$ , and  $\{x_u^a : \forall a \in \text{TRAIN}, u \in \{1, \dots, U\}\}$ , we compute:

$$\begin{aligned} & \arg \max_{s_1, \dots, s_U, \alpha_1, \dots, \alpha_M} f(s_1, \dots, s_U, \alpha_1, \dots, \alpha_M), \\ & \text{Subject to: } \forall u, s_u \geq 0, \forall m, \alpha_m \geq 0 \end{aligned} \quad (6)$$

where:

$$\begin{aligned} & f(s_1, \dots, s_U, \alpha_1, \dots, \alpha_M) \\ &= \log \left[ \prod_{a \in \text{TRAIN}} \prod_{u: x_u^a = 1} \text{Prob}(x_u^a = 1 | x_{u'}^a : u' \in \mathcal{N}(u)) \right. \\ & \quad \left. \prod_{u: x_u^a = 0} (1 - \text{Prob}(x_u^a = 1 | x_{u'}^a : u' \in \mathcal{N}(u))) \right] \\ &= \sum_{a \in \text{TRAIN}} \left[ \sum_{u: x_u^a = 1} \log(1 - \exp(-s_u - p_a(u))) \right. \\ & \quad \left. - \sum_{u: x_u^a = 0} (s_u + p_a(u)) \right] \end{aligned} \quad (7)$$

(8)

This is a concave optimization problem. Therefore, global optimal is guaranteed, and there exist efficient algorithms scalable to larger datasets (Boyd and Vandenberghe 2004). We use a MATLAB built-in implementation here, and it usually take a few seconds during optimization in our experiments.

Compared with works on inferring networks (Gomez Rodriguez, Leskovec, and Krause 2010) (Myers and Leskovec 2010), our work is different as we compute  $G^{\text{opt}}$  from existing candidates networks. In addition, we don't need any additional regularization term or tuning parameters in the optimization process.

We emphasize that our algorithm doesn't distinguish the causality problem (Aral, Muchnik, and Sundararajan 2009) in network effects: i.e., we don't attempt to understand the different reasons why network neighbors have similar app installation behaviors. It can either be diffusion (i.e. my neighbor tells me), or homophily (i.e. network neighbors share same interests and personality). Instead, our focus is on prediction of app installation, and we leave the causality problem as future work.

## Virtual Network for Exogenous Factors

Obvious exogenous factors include the popularity and quality of an app. The popularity and quality of an app will affect the ranking and review of the app in the AppStore/AppMarket, and as a result higher/lower likelihood of adoption. We can model this by introducing a virtual graph

$G^p$ , which can be easily plugged into our composite network framework.  $G^p$  is constructed by adding a virtual node  $U+1$  and one edge  $e_{U+1,u}$  for each actual user  $u$ . The corresponding weight of each edge  $w_{U+1,u}$  for computing  $p_a(u)$  is  $C^a$ , where  $C^a$  is a positive number describing the popularity of an app. In our experiment, we use the number of installations of the app in this experimental community as  $C^a$ . We have been looking at other sources to obtain reliable estimates for  $C^a$ , but we found that the granularity from public sources to be unsatisfying. In practice for app market makers, we argue that  $C^a$  can be easily obtained accurately by counting app downloads and app ranks.

The exogenous factors also increase accuracy in measuring network effects for a non-trivial reason: Considering a network of two nodes connected by one edge, and both nodes installed an app. If this app is very popular, then the fact that both nodes have this app may not imply a strong network effect. On the contrary, if this app is very uncommon, the fact that both nodes have this app implies a strong network effect. Therefore, introducing exogenous factors does help our algorithm better calibrate network weights.

## Experiments

Our algorithm predicts the probability of adoption (i.e. installing an app) given its neighbor's adoption status.  $p_i \in [0, 1]$  denotes the predicted probability of installation, while  $x_i \in \{0, 1\}$  denotes the actual outcome. The most common prediction measure is the Root Mean Square Error ( $\text{RMSE} = \sqrt{\frac{1}{n} \sum_{i=1}^n (p_i - x_i)^2}$ ). This measure is known to assess badly the prediction method's ability (Goel et al. 2010). Since in our dataset most users have installed very few apps, a baseline approach can simply predict the same small  $p_i$  and still achieve very low RMSE.

For app marketing, the key objective is not to know the probability prediction for each app installation, but to rank and identify a sub-group of individuals who are more likely to appreciate and install certain apps compared with others (Vandenberghe et al. 2010). Therefore, we mainly adopt the approach in rank-aware measures from information retrieval practices (Manning et al. 2008). For each app, we rank the likelihood of adoption computed by prediction algorithms, and study the following factors:

- Mean Precision at  $k$  (MP- $k$ ): We select the top  $k$  individuals with highest likelihood of adoption as predicted adopters from our algorithms, and compute precision at  $k$  ( $\frac{\# \text{ true adopters among } k \text{ predicted adopters}}{k}$ ). We average precisions at  $k$  among all apps in the testing set to get MP- $k$ . On average each app has five users in our dataset. Therefore, the default value for  $k$  is five in the following text. MP- $k$  measures algorithm's performance on predicting most likely nodes.
- Optimal  $F_1$ -score (referred later simply as  $F_1$  Score). The optimal  $F_1$ -score is computed by computing  $F_1$ -scores ( $\frac{2 \times \text{precision} \times \text{recall}}{\text{precision} + \text{recall}}$ ) for each point on the Precision-Recall curve and selecting the largest  $F_1$  value. Unlike MP- $k$ , the optimal  $F_1$  score is used to measure the overall prediction performance of our algorithms. For instance,  $F_1 = 0.5$

suggests the algorithm can reach a 50% precision at 50% recall.

### Prediction using Composite Network

To begin with, we illustrate different design aspects for our algorithm.

To demonstrate the importance of modeling both networks and individual variances in our model, we here demonstrate the prediction performance with five configurations using a 5-fold cross-validation: a) to model both individual variance and network effects; b) to model both individual variance and network effects, but exclude the virtual network  $G^p$  capturing exogenous factors; c) to model with only individual variance (by forcing  $\alpha_m = 0$  in Eq. 6), d) to model with only network effects (by forcing  $s_u = 0, \forall u$ ), and e) to model with network effects while allowing the composite vector to be negative. The results are illustrated in Table 2.

We find the surprising results that app installations are highly predictable with individual variance and network information as shown in Table 2. In addition, Table 2 clearly suggests that all our assumptions for the model are indeed correct, and both individual variance and network effects play important roles in app installation mechanism, as well as the exogenous factors modeled by  $G^p$ .

We also notice that while accuracy almost doubles, it is often impossible to realize this improvement using RMSE. Therefore, we will not RMSE for the rest of the work.

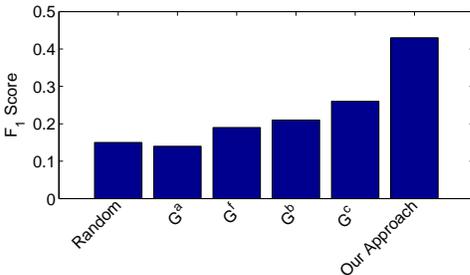


Figure 2: We demonstrate the prediction performances using each single network here. For comparison, we also show the result of random guess, and the result using our approach, which combines all potential evidence.

We now illustrate the prediction performance when our algorithm is only allowed to use one single network. The results are shown in Fig. 2. We find that except the affiliation network, almost all other networks predict well above chance level. The call log network seems to achieve the best results. We conclude that while network effects are strong in app installations, a well-crafted model such as our approach can vastly increase the performance by computing the composite network and counting other factors in.

### Prediction Performance

We now test the performance of our model with some other implementations for predictions. As there is no other closer

work related to app prediction with multiple networks, we here compare prediction performance with some alternative approaches we can think of.

Since it is practically difficult to observe every user app installation behaviors, in our experiments we also want to test the performance of each algorithm when the test set is small. In particular, we evaluate the performance of different implementations with two approaches for cross validation: 1) Normal-size training set: We randomly choose half of all the apps in the dataset as the training set, and test on the other half of the dataset. 2) Small-size training set: We randomly choose only 20% of all the app installations in our dataset as the training set, and test on the the rest 80% apps. In both cases, we repeat the process for five times for cross validation and take average of the results.

For our algorithm, we feed it with networks  $G^p, G^a, G^b, G^f$  and  $G^c$  obtained by phones and surveys as described previously. For SVM, we apply two different approaches in predictions:

- We don’t consider the underlying network, but simply use the adoption status of all other nodes as the features for each node. We test this approach simply to establish a baseline for prediction. We refer it as “SVM-raw”.
- We compute the potential  $p_a^m(i)$  for each candidate network  $G^m$ , and we use all the potentials from all candidate networks as features. Therefore, we *partially borrow* some ideas from our own model to implement this SVM approach. We refer this approach as “SVM-hybrid”.

We use a modern SVM implementation (Chang and Lin 2001), which is capable of generating probabilistic predictions rather than binary predictions.

We also replace Eq. 5 with a linear regression model by using  $p_a^m(i), \forall m$  together with # of apps per user (instead of learning  $s_u$  in our MLE framework) as independent variables. We call this approach “Our Approach (Regression)” in the following text to distinguish the difference. We also force the non-negative accumulation assumption in the regression setting.

Results for both the normal-size training set and the small-size training set are shown in Table 3, and we discover that our algorithm outperforms other competing approaches in all categories. However, we notice that with many our model assumptions, generic methods can also achieve reasonably well results. Performance on half of the users that are less active in app installation is also shown. Because this group of users are very inactive, they may be more susceptible to network influence in app installation behaviors. We notice that our algorithm performs better in this group with more than 10% improvement over other methods.

### Predicting Future Installations

In app marketing, one key issue is to predict future app installations. Predicting future app adoption at time  $t$  in our model is equivalent to predicting installation with part of the neighbor adoption status unknown. These unknown neighbors who haven’t adopted at time  $t$  may or may not adopt at  $t' > t$ . Though our algorithm is trained without the information of time of adoption, we show here that the inferred in-

	RMSE	MP-5	$F_1$ Score
Net.+ Ind. Var. + Exogenous Factor	<b>0.25</b>	<b>0.31</b>	<b>0.43</b>
Net. + Ind. Var.	0.26	0.29	0.42
Ind. Variance Only	0.29	0.097	0.24
Net. Only (non-negative)	0.26	0.24	0.37
Net. Only (allow negative)	0.30	0.12	0.12

Table 2: The performance of our approach under five different configurations. We observe that modeling both individual variance and networks are crucial in performance as well as enforcing non-negative composition for candidate networks as in Eq. 1.

Methods	Using 20% as Training Set All Users		Using 50% as Training Set All Users		Using 50% as Training Set Low Activity Users	
	MP-5	$F_1$ Score	MP-5	$F_1$ Score	MP-5	$F_1$ Score
Our Approach	<b>0.28</b>	<b>0.46</b>	<b>0.31</b>	<b>0.43</b>	<b>0.20</b>	<b>0.43</b>
SVM-raw	0.17	0.26	0.24	0.32	0.14	0.27
SVM-hybrid	0.14	0.29	0.27	0.30	0.16	0.30
Our Approach (Regression)	0.27	0.42	0.30	0.41	0.18	0.39
Random Guess	0.081	0.17	0.081	0.17	0.076	0.14

Table 3: Prediction performance for our algorithm and competing methods is shown.

dividual variance  $s_u$  and composite vector  $(\alpha_1, \dots, \alpha_M)$  can be used to predict future app adoption.

We here apply the following cross-validation scheme to test our algorithm’s ability in predicting future installations: For the adopters of each app, we split them to two equal-size groups by their time of adoption. Those who adopted earlier are in G1, and those who adopted later are in G2. The training phase is the same as the previous section; In the testing phase, each algorithm will only see adoption information for subjects in G1, and predict node adoption for the rest. The nodes in G2 will be marked as non-adopters during prediction phase.

Results from cross validation are shown in Table 4. We notice that our algorithm still maintains the best performance and limited decrease in accuracy compared with Table 3. Since the number of adopted nodes are fewer than those in Table 3, we here show MP with smaller  $k$  in Table 4.

	MP- $k$			$F_1$ Score
	$k = 3$	$k = 4$	$k = 5$	
Our Approach	<b>0.18</b>	<b>0.16</b>	<b>0.15</b>	<b>0.35</b>
SVM-hybrid	0.15	0.13	0.12	0.32
Our(Regression)	0.17	0.15	0.14	0.33
Random	0.045	0.045	0.045	0.090

Table 4: MP- $k$  and  $F_1$  scores for predicting future app installations are shown above.

Notice in Table 4 that the random guess precision is reduced by half. Therefore, even the precision here is 30% lower than in Table 3, it is mainly due to the fact that nodes in G1 are no longer in the predicting set. Our accuracy is considerable as it is four times better than random guess.

### Predictions With Missing Historical Data

In practice, sometimes it is not possible to observe the app installation for all users due to privacy reasons. Instead, for app market markers they may only be allowed to observe and instrument a small subset of a community. We here want to study if it is still possible to make some prediction in app installations under such circumstance.

To formally state this problem, we assume that all the nodes  $1, \dots, U$  are divided into two groups. The observable group G1 and the unobservable group G2. During cross validation, only nodes in the observable group are accessible to our algorithms in the training process, and nodes in the unobservable group are tested with the prediction algorithms. Therefore, for our algorithm, even the individual variance  $s_u, u \in G1$  is computed in the training process, we will not have  $s_{u'}, u' \in G2$  for Eq. 5 in the testing phase. We illustrate the prediction precision results in Fig. 3. It seems that even trained on a different set of subjects without calibrating users variance, the composite vector learned by our algorithm can still be applied to another set of users and achieve 80% over random guess.

### Conclusion

Our contributions in this paper include a) We show the data of a novel mobile phone based experiments on the app installation behavior; b) We illustrate that there are strong network effects in app installation patterns even with tremendous uncertainty in app installation behavior; c) We show that by combining measurable networks using modern smart phones, we can maximize the prediction accuracy; d) We develop a simple discriminative model which combines individual variance, multiple networks and exogeneous factors, and our model provides prediction accuracy four times better than random guess in predicting future installations.

Future works include the causality problem in studying

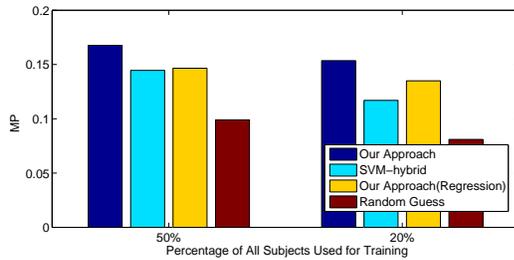


Figure 3: The MP from our approach and two comparison approaches. We here set  $k$  for MP to be the average number of users in G2 for each testing app.

network phenomena and a temporal model for app adoption. We believe the former one can be done with a much carefully crafted lab experiments. For the latter one, we have attempted multiple temporal adoption models but failed. We suspect that the mechanism of temporal diffusion of apps is very complicated, and we leave this as a future work.

Though our convex optimization framework is fast and reasonably scalable, it should be noted that still the proposed method in this paper may not be suitable to handle data from billions of cell phone users. Potential solutions include dividing users into small clusters and then conquering, and sampling users for computation. The scalability problem remains a future work.

### Acknowledgements

The authors want to thank Cory Ip for her remarkable efforts in managing the study, Dr. Riley Crane and Yves-Alexandre de Montjoye for helpful discussions, and the anonymous reviewers for their valuable comments. This research was sponsored by AFOSR under Award Number FA9550-10-1-0122. The views and conclusions contained in this document are those of the authors and should not be interpreted as representing the official policies, either expressed or implied, of AFOSR or the U.S. Government.

### References

[Aral, Muchnik, and Sundararajan 2009] Aral, S.; Muchnik, L.; and Sundararajan, A. 2009. Distinguishing influence-based contagion from homophily-driven diffusion in dynamic networks. *Proceedings of the National Academy of Sciences* 106(51):21544.

[Boyd and Vandenberghe 2004] Boyd, S., and Vandenberghe, L. 2004. *Convex optimization*. Cambridge Univ Pr.

[Centola 2010] Centola, D. 2010. The Spread of Behavior in an Online Social Network Experiment. *science* 329(5996):1194.

[Chang and Lin 2001] Chang, C.-C., and Lin, C.-J. 2001. *LIBSVM: a library for support vector machines*. Software available at <http://www.csie.ntu.edu.tw/~cjlin/libsvm>.

[Christakis and Fowler 2007] Christakis, N., and Fowler, J. 2007. The spread of obesity in a large social network over 32 years. *New England Journal of Medicine* 357(4):370.

[Colizza et al. 2007] Colizza, V.; Barrat, A.; Barthelemy, M.; Valleron, A.; and Vespignani, A. 2007. Modeling the worldwide spread of pandemic influenza: Baseline case and containment interventions. *PLoS Medicine* 4(1):95.

[Eagle and Pentland 2006] Eagle, N., and Pentland, A. 2006. Reality mining: sensing complex social systems. *Personal and Ubiquitous Computing* 10(4):255–268.

[Eagle, Macy, and Claxton 2010] Eagle, N.; Macy, M.; and Claxton, R. 2010. Network diversity and economic development. *Science* 328(5981):1029.

[Eagle, Pentland, and Lazer 2009] Eagle, N.; Pentland, A.; and Lazer, D. 2009. Inferring friendship network structure by using mobile phone data. *Proceedings of the National Academy of Sciences* 106(36):15274.

[El-Yaniv, Pechyony, and Yom-Tov 2008] El-Yaniv, R.; Pechyony, D.; and Yom-Tov, E. 2008. Better multiclass classification via a margin-optimized single binary problem. *Pattern Recognition Letters* 29(14):1954–1959.

[Ellison 2010] Ellison, S. 2010. Worldwide and U.S. Mobile Applications, Storefronts, and Developer 2010/2014 Forecast and Year-End 2010 Vendor Shares: The "Appification" of Everything.

[Farrahi and Gatica-Perez 2010] Farrahi, K., and Gatica-Perez, D. 2010. Probabilistic Mining of Socio-Geographic Routines From Mobile Phone Data. *Selected Topics in Signal Processing, IEEE Journal of* 4(4):746–755.

[Ganesh, Massoulié, and Towsley 2005] Ganesh, A.; Massoulié, L.; and Towsley, D. 2005. The effect of network topology on the spread of epidemics. In *INFOCOM 2005. 24th Annual Joint Conference of the IEEE Computer and Communications Societies. Proceedings IEEE*, volume 2, 1455–1466. IEEE.

[Goel et al. 2010] Goel, S.; Reeves, D.; Watts, D.; and Pennock, D. 2010. Prediction without markets. In *Proceedings of the 11th ACM conference on Electronic commerce*, 357–366. ACM.

[Gomez Rodriguez, Leskovec, and Krause 2010] Gomez Rodriguez, M.; Leskovec, J.; and Krause, A. 2010. Inferring networks of diffusion and influence. In *Proceedings of the 16th ACM SIGKDD international conference on Knowledge discovery and data mining*, 1019–1028. ACM.

[Granovetter and Soong 1983] Granovetter, M., and Soong, R. 1983. Threshold models of diffusion and collective behavior. *The Journal of Mathematical Sociology* 9(3):165–179.

[Kempe, Kleinberg, and Tardos 2003] Kempe, D.; Kleinberg, J.; and Tardos, É. 2003. Maximizing the spread of influence through a social network. In *Proceedings of the ninth ACM SIGKDD international conference on Knowledge discovery and data mining*, 137–146. ACM.

[Leskovec, Adamic, and Huberman 2007] Leskovec, J.;

- Adamic, L.; and Huberman, B. 2007. The dynamics of viral marketing. *ACM Transactions on the Web (TWEB)* 1(1):5.
- [Manning et al. 2008] Manning, C.; Raghavan, P.; Schütze, H.; and Corporation, E. 2008. *Introduction to information retrieval*, volume 1. Cambridge University Press Cambridge, UK.
- [Myers and Leskovec 2010] Myers, S., and Leskovec, J. 2010. On the convexity of latent social network inference. *Arxiv preprint arXiv:1010.5504*.
- [Richter, Yom-Tov, and Slonim 2010] Richter, Y.; Yom-Tov, E.; and Slonim, N. 2010. Predicting customer churn in mobile networks through analysis of social groups. In *Proceedings of the 2010 SIAM International Conference on Data Mining (SDM 2010)*.
- [Yang and Leskovec 2010] Yang, J., and Leskovec, J. 2010. Modeling Information Diffusion in Implicit Networks.
- [Zhang and Dantu 2010] Zhang, H., and Dantu, R. 2010. Discovery of Social Groups Using Call Detail Records. In *On the Move to Meaningful Internet Systems: OTM 2008 Workshops*, 489–498. Springer.