



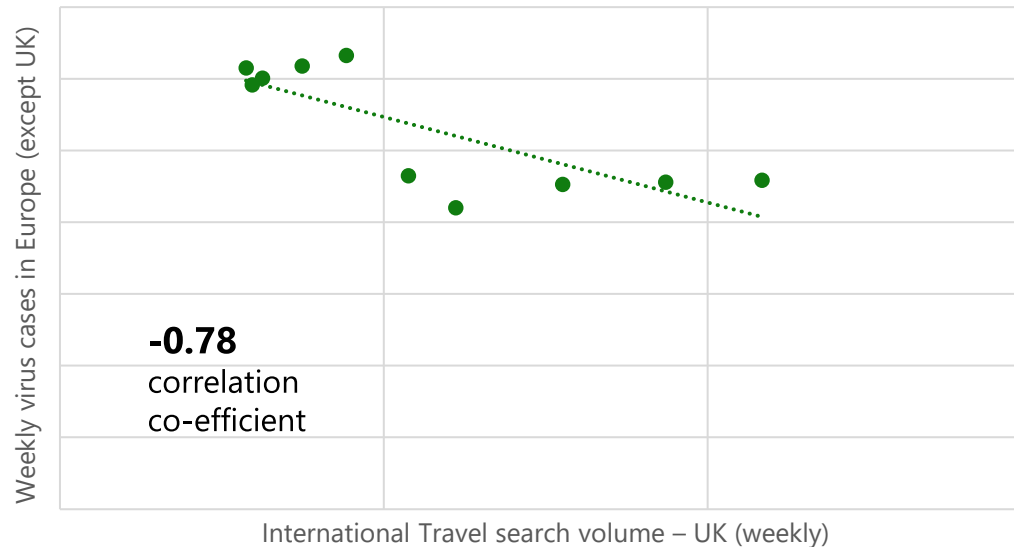
# Microsoft Advertising Insights: Travel in an age of volatility

Microsoft Advertising. Intelligent connections.

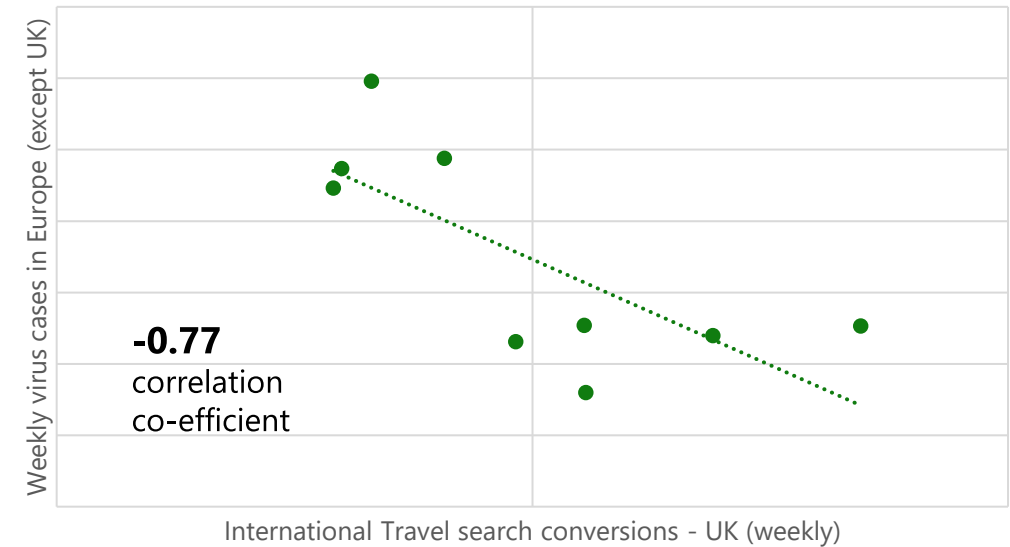


# UK travel consumers are very sensitive to the coronavirus resurgence in Europe

International Travel search volume relationship  
with weekly virus cases in Europe  
(July – August 2020)

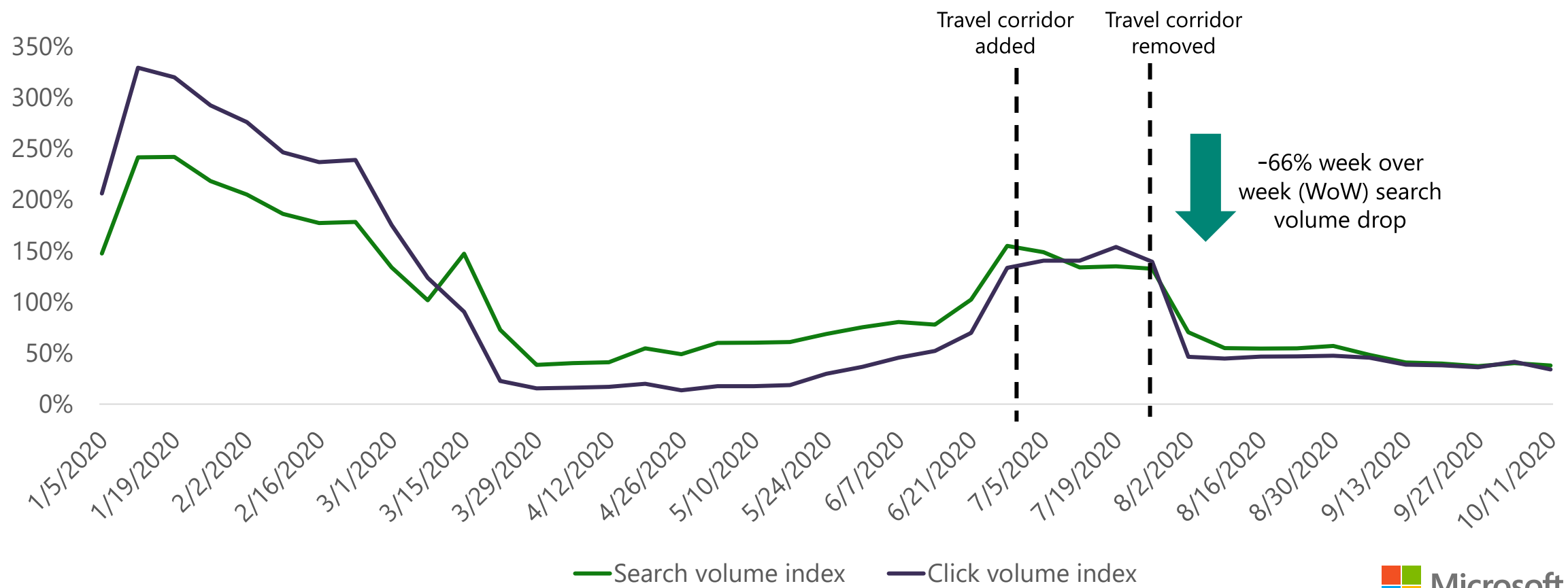


International Travel search conversions  
relationship with weekly virus cases in Europe  
(July – August 2020)



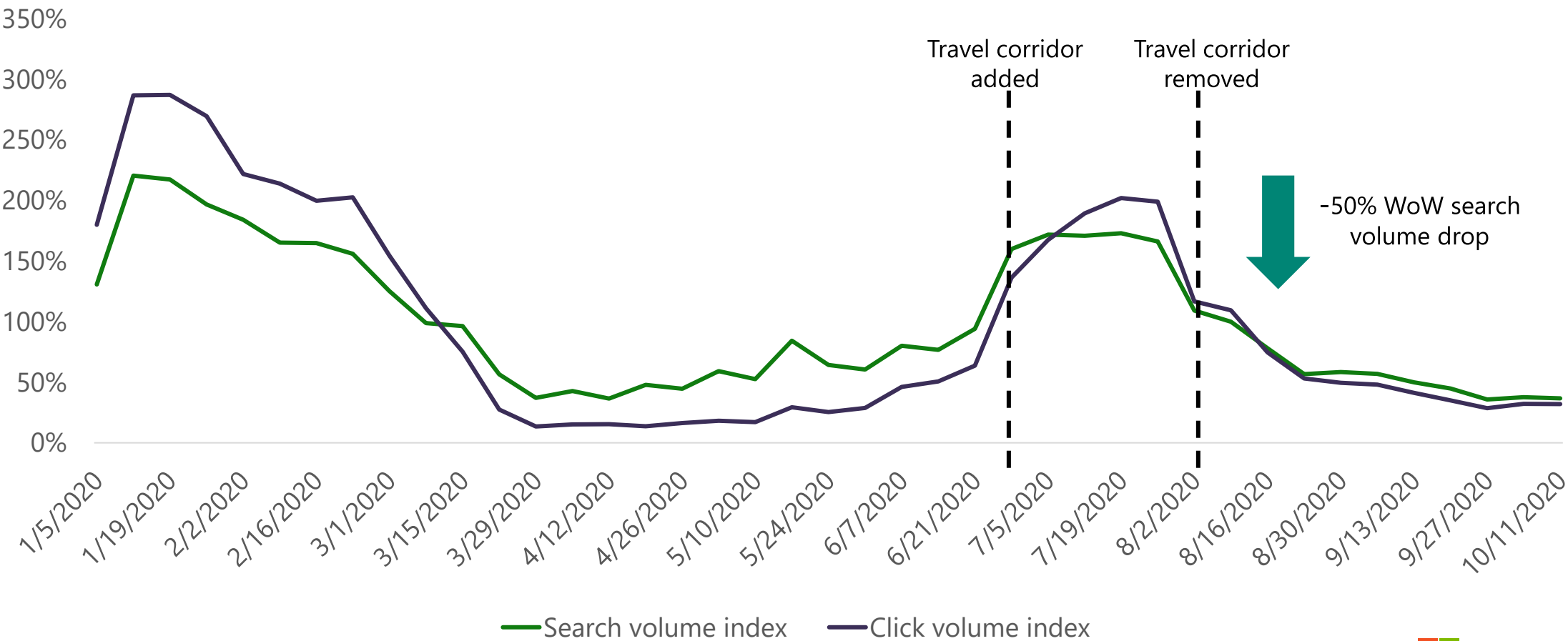
# Coronavirus resurgence causes abrupt changes to travel corridors which creates a narrow window of opportunity to convert search interest

Spain holiday search interest



# Coronavirus resurgence causes abrupt changes to travel corridors which creates a narrow window of opportunity to convert search interest

France holiday search interest



# Coronavirus resurgence causes abrupt changes to travel corridors which creates a narrow window of opportunity to convert search interest

Turkey holiday search interest



# The narrow windows of opportunity to travel quarantine free has prompted agile and quick consumer decision making

**Last summer**

**This summer**

**Average number of days in  
purchase journey for a holiday**

**34 days**

**14 days**

**Average number of  
searches in a purchase  
journey for a holiday**

**16 searches**

**7 searches**



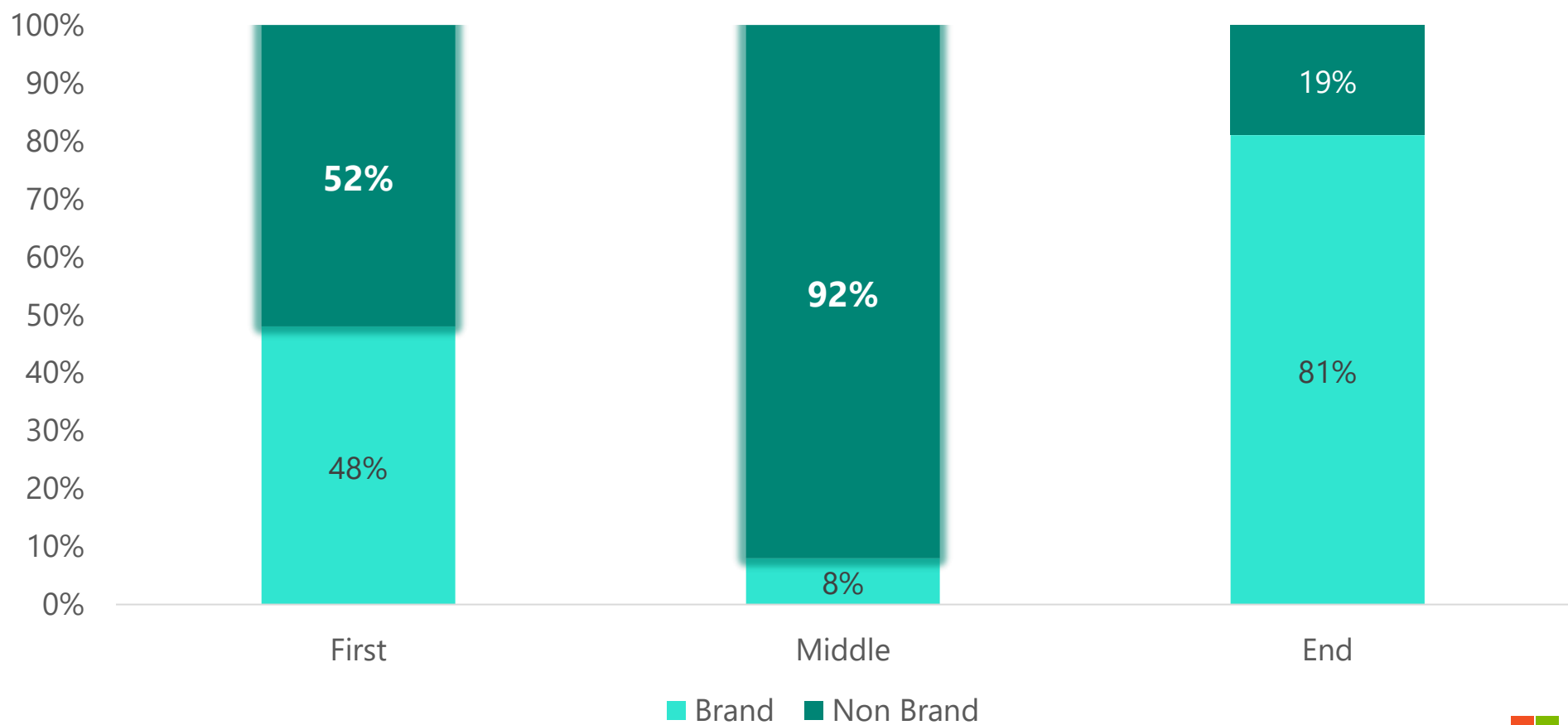


How do you maximise sales when a window of opportunity opens?



# Maintain a strong presence throughout the journey especially on non-brand terms

Holidays conversion path by stage (June – August 2020)

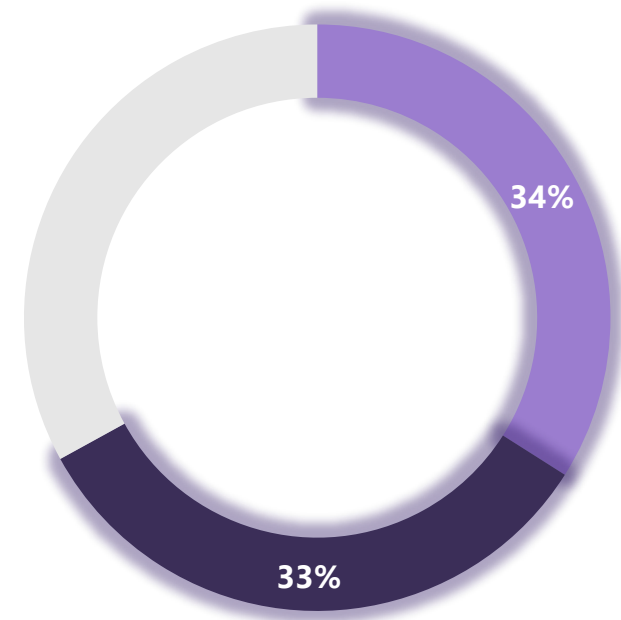






# Leverage audience marketing solutions to reach consumers with strong purchase intent

Summer 2020 international holiday conversions by audience type



■ Remarketing Audience ■ In-Market Audience ■ None



## Leverage your inventory of popular destinations amongst British consumers

### Top 10 international holiday destinations – Summer 2019

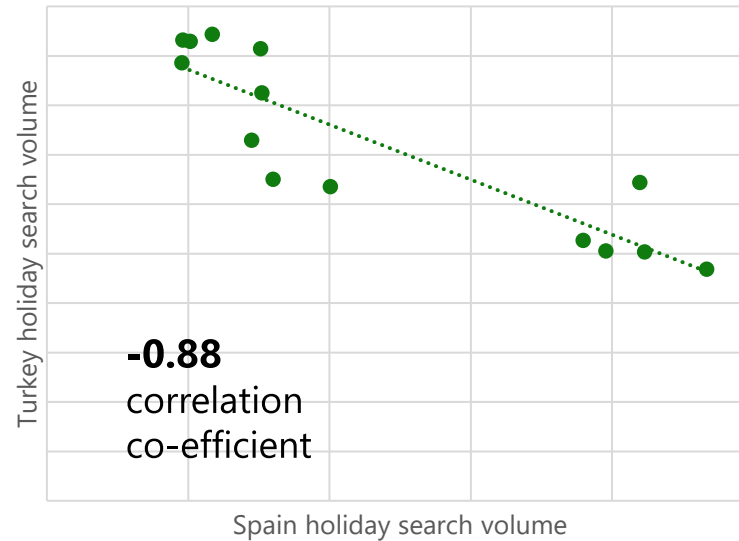
France
Spain
Turkey
Greece
Cyprus
Tenerife
Italy
Croatia
Florida
Malta

### Top 10 international holiday destinations – Summer 2020

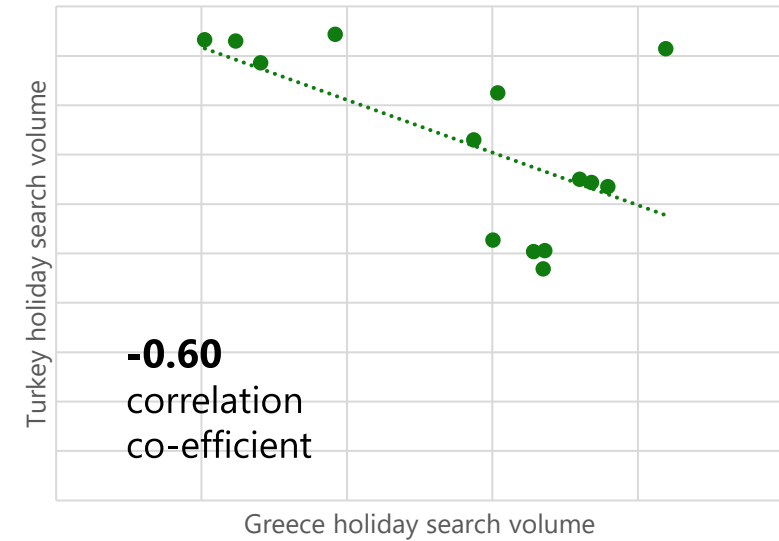
France
Spain
Turkey
Greece
Cyprus
Portugal
Italy
Florida
Tenerife
Malta

# Be agile to destination demand redistribution when circumstances change

Turkey holiday search volume relationship with Spain holiday search volume (July – September 2020)



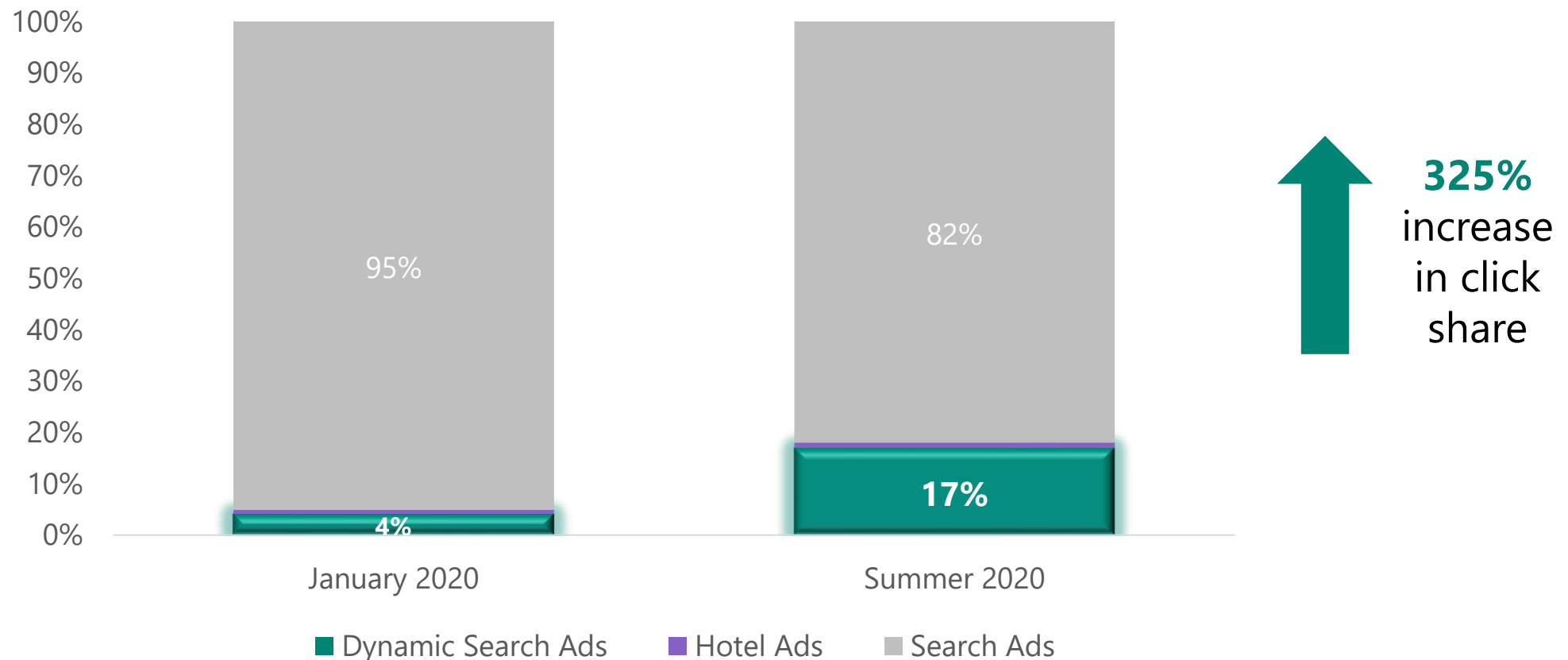
Turkey holiday search volume relationship with Greece holiday search volume (July – September 2020)



Microsoft Advertising Internal data. Correlation co-efficient interpretation = -1 correlation co-efficient is indicative of a perfect negative correlation, the correlation co-efficient of -0.88 and -0.60 imply a strong negative correlation and relationship between the two variables considered. In this case, turkey holiday search volume (dependant variable) increased when Spain and Greece holiday search volume decreased (independent variables) due to returning travel restrictions for Spain and Greece

# Leverage dynamic search ads to capture new and emerging leisure travel queries

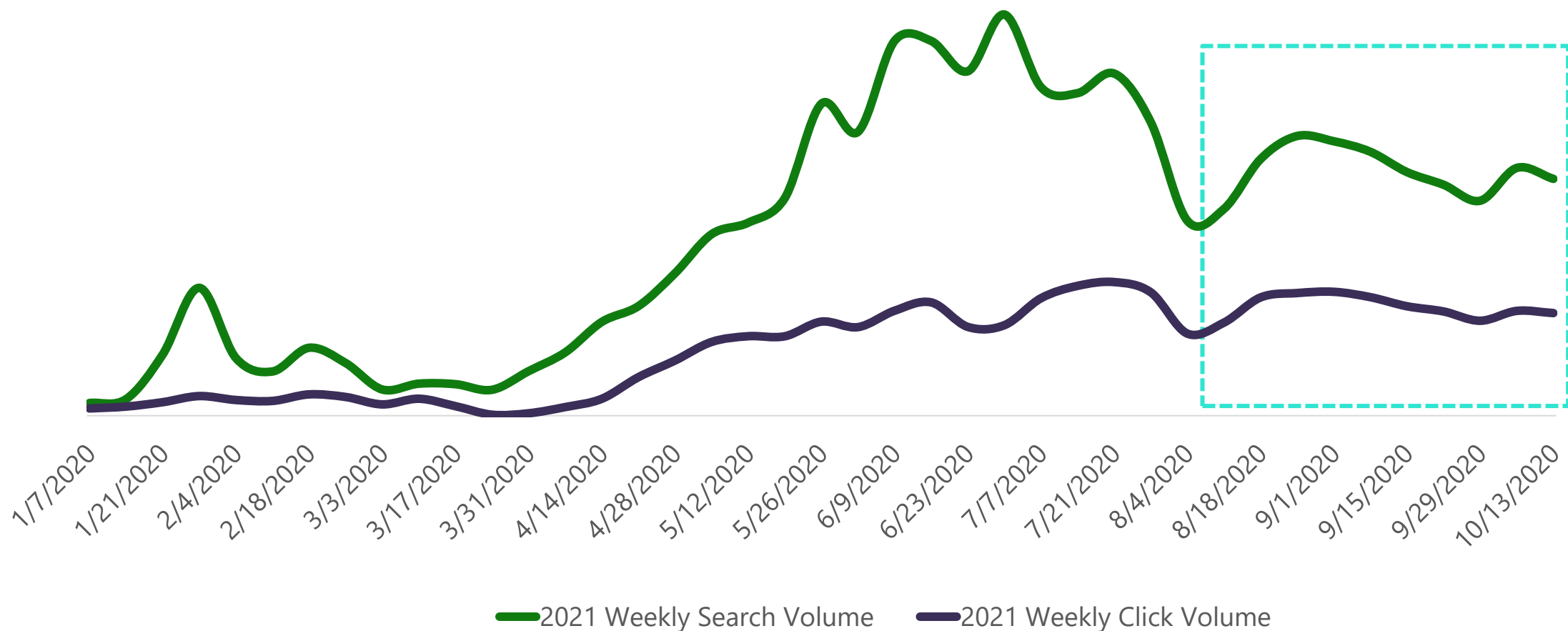
Search click share for leisure travel by ad type – January 2020 (Pre-COVID-19) vs. Summer (June-August) 2020





# There is a new window of opportunity opening for 2021 travel

2021 international travel search and click volume (1<sup>st</sup> January – 13<sup>th</sup> October 2020)



# Consider potential market disruption scenarios



**A second wave** of COVID-19 in Europe rises and subsequent additional lockdown restrictions

- Travel corridors are shut down and virus cases are high across Europe
- Expect recession in travel search demand and conversions but greater search interest in future/ '2021' travel

Conservative behaviour  
New queries  
Limited time resources



**Partial recovery** as some markets in Europe recover from COVID-19 whilst others are still struggling with rising cases

- Some travel corridors open to countries with low infection rates
- Expect travel destination demand redistribution to focus on low risk countries which may or may not align with seasonal expectations

New behaviours  
New queries  
Demand volatility



**Second wave full recovery**, most if not all markets in Europe recover and the travel market gains rapid traction

- Most major travel corridors in Europe are reopened amidst low infection rates
- Expect abrupt increase in search and conversion demand for seasonally popular destinations

Search volume growth  
New queries  
New behaviours



# How to respond to market disruptions



Search volume growth

Use the **Microsoft Audience Network** to expand your reach

**Reactivate destinations** no longer discouraged



New queries

**Invest in non-brand terms** to gain mindshare during the purchase path



New behaviours

Leverage **audience marketing solutions** to reach likely converters

Use **Dynamic Search Ads** to capture new emerging queries and interest areas



Time resources

Manage time and budget needed with automated bidding strategies such as **Enhanced CPC, Target CPA or Target ROAS**



Budgets

Implement **granular remarketing for recent site visitors** to catch relevant traffic



Conservative behaviour

Maintain relevant ad copy through **responsive search ads**

CPC = cost per click  
CPA = cost per action  
ROAS = return on ad spend

To get actionable data, insights and best practices to help make decisions and grow your business, visit [aka.ms/MicrosoftAdvertisingInsights](https://aka.ms/MicrosoftAdvertisingInsights)



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