Microsoft Advertising Insights

Cold, Cough & Flu
Agenda

1. Market facts about Cold, Cough and Flu
2. Audience insights
3. Keyword categories and brand analysis
4. Marketplace performance
5. Ad interactions
6. COVID-19 update
In 2019, cough and cold remedies sales increased by 4.6% from 2018 to reach $35 billion worldwide.

Cold and cough remedies account for 30% of the over-the-counter (OTC) pharmaceutical revenue in 2019 worldwide.

In 2019, Americans spent an average of U.S. $35 on cold and cough remedies.

The worldwide cold and cough remedies segment is expected to reach only $34B in 2020, down from the pre-COVID-19 impact of $36B.
Audience insights
Search volume reflects the most populous states

States with the majority of search volume:
- California
- Florida
- Texas
- New York
- Ohio
Most users search for more than one day and use 5 queries or less.

Note: Cold, cough, and flu advertisers (no Covid-19 data)
Source: Microsoft Advertising Query Pathing data: February 2020 to July 2020
1-in-8 searchers visit online retailers and drugstore sites

Source: Microsoft internal data, QP, Feb. 2020 – May 2020

Queries Containing Retailer Name

- Yes 12%
- No 88%
PC and mobile are equally used, but ad type clicks vary

PC and mobile devices share roughly the same number of clicks

The clicks are on different types of ads with gender and age playing a big factor in preference

Women use mobile and tablets more, while men prefer to click from PCs

Source: Microsoft internal data, QP, Feb. 2020 – July 2020
Tablet usage increases with age, mobile skews younger

People tend to use tablets more than mobile phones with age: the older the searcher, the more likely they searched on a tablet.

With seniors, a tablet is 5x more likely to be used than a mobile phone.

Source: Microsoft internal data, QP, Feb. 2020 – July 2020
Microsoft Audience Network Ad Products account for 1-in-8 clicks, accelerates in 2020

Microsoft Audience Network click volume by day

Microsoft Audience Network daily click volume by device

Microsoft Audience Network for cold, cough & flu has grown 10X

Mobile clicks drive as much as 70% of volume by day

Women are most likely to click Microsoft Audience Network Ads whereas men prefer Microsoft Audience Network Search.

+8%  

Microsoft Audience Network Search

+20%  

Microsoft Audience Network

Starting point

Source: Microsoft internal data, QP, sequencing dashboard, Feb. 2020 – July 2020
1. Consider conquering for this hyper-competitive niche

2. Tablets grow in importance with age: test out a separate device campaign or ad group for tablets; they do well with Microsoft Audience Network, too!

3. Women are more likely to click Microsoft Audience Network ads from syndication: Consider mobile and gender bid modifiers

4. Microsoft Audience Network ads continue to grow at an accelerated rate: Consider a separate campaign/ad group to fund them and serve more often

5. Most searchers start from MSN Homepage or Edge Startpage: Don’t miss out on Native placements on these owned and operated (O&O) properties
Keyword categories and brand analysis
Condition terms drive the most click volume

**Condition** includes terms like ‘seasonal cold,’ ‘influenza,’ and ‘cold vs. flu’

**Prevention** includes ‘flu shot,’ ‘prevent flu,’ and ‘immune system boost’

**Treatment** includes ‘cold medicine,’ ‘flu medicine,’ and ‘best flu medicines’

**Symptoms** includes ‘flu symptoms,’ ‘scratchy throat,’ and ‘fever’

**Test** terms include ‘influenza a test,’ ‘flu diagnosis,’ and ‘test for flu or covid’

Source: Microsoft internal data, QP, Feb. 2020 – July 2020
Prevention terms garnered 20% of final clicks

*Prevention* terms appeared well across the conversion funnel, but gained clicks from people in the middle and end of their medicine journeys.

People searching for medicine ingredients and/or side effects would switch to a prevention term like ‘improve immune system’, a supplement like zinc, or different vitamins.

Medicines lost 20% of their last (‘converting’) clicks to a vitamin/supplement brand.

Source: Microsoft internal data, QP, Feb. 2020 – July 2020
Symptoms terms have the highest cost per click (CPC) and condition terms have the lowest

Source: Microsoft internal data, QP, Feb. 2020 – July 2020
Non-brand keywords dominate paid click volume

Non-brand terms dominate paid search click volume, which is standard across Health & Wellness searches.

But brand terms clicks are 2X higher than the average for Health & Wellness (9%), and they play a bigger role at the beginning of a journey.

Source: Microsoft internal data, QP, Feb. 2020 – July 2020
Clicks on brand terms decrease on the last click of journey

-33%

Brand clicks decrease by a third from beginning to end of a paid search journey

Source: Microsoft Internal data, QP, Feb. 2020 – July 2020
Upper funnel non-brand Cold & Flu terms represent 60% of clicks

Upper funnel terms
‘seasonal flu’
‘flu symptoms’
‘influenza’

Lower funnel terms
‘flu medicine’
‘cold medicine’
‘cold relief’

Source: Microsoft internal data, QP, Feb. 2020 – July 2020
1. Prevention terms disrupt clicks that would go to medicine brands: consider conquering on vitamin, supplement and allergy terms

2. Condition terms see the lowest CPC’s and drive 50+% of converting clicks. Make sure you have these terms well funded; searchers are using them on the vital last click!

3. Non-brand terms drive over 60% of clicks. Make sure you’ve funded your non-brand campaigns and ad groups; brand terms lose impact later in the funnel.
Marketplace performance
Cold and Flu search volume in 2020 is higher than 2019, and follows the same pattern with higher volume in the winter.

Weekly search volume

- January-March 2018
- September-March 2018-2019
- October-April 2019-2020

2 week spike for queries: "cold flu symptoms", "cold flu medicine", "cold remedies"

3/19: "Japanese flu drug"
Vaccine and Immunization search volume is generally volatile, but 2020 has not seen more volume than normal.
Flu queries are projected to grow 62% in 2020

Disclaimer: Forecasts should be used as directional only and to gauge where volume will be based on the current state of the market. Due to COVID-19 and market volatility, changes to this projection are highly likely.
PC search volume is driven by owned and operated sites (O&O), mobile search volume is driven by the partner network.
Key takeaways

1. Cold, cough, and flu queries are projected to grow through 2020
2. Mobile search volume is driven by Partner Network
Ad Type interactions
Text ads lead in clicks; product ads contribute to conversion

Text ads may drive 50% of clicks, but it varies by gender and device

Women have a clear preference depending on the device and their age

That means image-based ads like Microsoft Audience Network and Product Ads

Source: Microsoft internal data, QP, Feb. 2020 – July 2020
Ad Types are well distributed across the conversion funnel

- Text ads perform well across the conversion funnel
- Product also performs strongly throughout
- Microsoft Audience Network contributes and can influence in the middle stage

Source: Microsoft internal data, QP, Feb. 2020 – July 2020
Ad Type clicks vary by age on mobile devices

Image-based ads like Microsoft Audience Network and Product Ads become more impactful for people over 50

Microsoft Advertising Query Pathing data: February 2020 - July 2020
1. Searchers will switch ad types the more they search: Include Product Ads with your Text Ads and Microsoft Audience Network ads.

2. Microsoft Audience Network ads are a main driver of clicks from mobile devices.
COVID-19 update
COVID-19 search volume by day

Searches by day for COVID-19 terms (including coronavirus)

Source: Microsoft internal data, Top 1,000 terms, Jan. 1, 2020 – Sept. 28, 2020
80+ years old have the highest COVID-19 incidence rate per 100K in the U.S.

Fever, cough, and shortness of breath is the top symptom reported by COVID-19 patients in the U.S.

Men and women have roughly the same rate of incidence for COVID-19 per 100K in the U.S.

Hispanic, Native American / Alaska Native, and African Americans have the highest rates of hospitalizations (roughly equal split) for COVID-19.

Source: Statista; Coronavirus (COVID-19) in the U.S. Study
Noticeable queries in June/July not present in January/February related to the flu

Comparing death numbers:
- 'chart deaths flu year'
- 'flu vs coronavirus death rate'
- '2018 flu deaths usa'
- 'covid nn19 vs flu death rate'
- 'flu deaths vs coronavirus deaths'

Treatment queries
- 'cold flu medicines runny nose congestion'
- 'influenza treatment home remedies'

Masks
- '1918 flu epidemic mask'
- 'flu symptoms please wear mask sign'
- 'masks 1918 flu pandemic'

Other/General queries
- '1918 flu epidemic spanish influenza'
- 'spanish flu pandemic nn1918 influenza'
- 'new swine flu 2020'
- 'new swine flu china'
- 'swine flu vs coronavirus'
- 'cold flu day night'
- 'flu vs covid 19'
- 'spanish flu vs covid nn19'
- 'spanish flu second wave'
COVID-19 trends in browser behavior

24% of queries were searching for an update on COVID-19 news and developments.

3% of queries contain a Centers for Disease Control and Prevention (CDC) term, indicating this is a valued data source.

4% of queries contain a John’s Hopkins University COVID-19 dashboard term, indicating this is a valued data source.

Source: Microsoft internal data, CDI, Feb. 2020 – July 2020
1. Older and minority populations are most at risk for COVID-19

2. Top symptoms are fever, cough, and shortness of breath, which could have implications for user search behavior

3. There are significant differences in search trends pre-COVID-19 and post-COVID-19

4. COVID-19 browser trends indicate users are mostly seeking news and information on the latest COVID-19 developments
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