Microsoft Advertising Insights

2020 Black Friday and Cyber Monday recap
Key takeaways

- Overall search growth for the days leading up to and including Cyber Monday increased by 16% year over year (YoY) in 2020

- Black Friday related searches decreased YoY, but Cyber Monday related searches increased

- Categories related to new COVID-19 hobbies and outdoor activities increased click volume

- Clicks decreased for categories related to socializing and going out
The state of Retail remains strong with +16% year over year (YoY) search growth in the 14 days leading up to Cyber Monday.
During key shopping days, searches and clicks saw an increase, and cost-per clicks (CPCs) decreased.

YoY change in Retail marketplace metrics

- Black Friday: Searches 21%, Clicks -9%, CPC 7%
- Saturday: Searches 23%, Clicks -7%, CPC 15%
- Sunday: Searches 20%, Clicks 11%, CPC -2%
- Cyber Monday: Searches 16%, Clicks 0%, CPC -3%

However, Black Friday may not have generated the lift some retailers were expecting.

Black Friday Was a Bust for Many Stores, Better for Online
Foot traffic plunges by half amid coronavirus pandemic while online sales jump; consumers turn to Amazon and big-box chains that offer one-stop shopping

“On Black Friday online sales hit $9 billion, up 22% from last year, according to Adobe Analytics...The gain was near the low end of Adobe’s forecast, which had projected growth of between 20% and 42% from last year”
Black Friday search traffic was down 36% YoY

Search volume on all “black friday” queries for 14 days ending on Black Friday

Cyber Monday traffic was up 6% YoY

Search volume on all “cyber monday” queries for 14 days ending on Cyber Monday

Buy Online Pickup In-Store (BOPIS) demand skyrocketed by 330%
Baked Goods are an example of a category that was not impacted by COVID-19

Week over week (WoW) click lift, Black Friday week vs. the week prior, in 2019 & 2020

2019 Black Friday week click lift: 54%
2020 Black Friday week click lift: 53%

People looked for more reasons to stay outside

 WoW click lift, Black Friday week vs. the week prior, in 2019 & 2020

<table>
<thead>
<tr>
<th>Category</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aquaculture &amp; Fishery Services</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Yard &amp; Garden Accessories</td>
<td>20%</td>
<td>28%</td>
</tr>
<tr>
<td>Pullover Sweaters &amp; Cardigans</td>
<td></td>
<td>18%</td>
</tr>
</tbody>
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We saw a continued effort to commemorate the holidays outside of gifts

WoW click lift, Black Friday week vs. the week prior, in 2019 & 2020

Consumers kept up with COVID-19 acquired hobbies and pets

Wow click lift, Black Friday week vs. the week prior, in 2019 & 2020

Beauty & Personal Care items were less top-of-mind as people remain indoors

WoW click lift, Black Friday week vs. the week prior, in 2019 & 2020

Fresh food and produce saw less interest

WoW click lift, Black Friday week vs. the week prior, in 2019 & 2020

Less social occasions potentially led to less interest in cameras

WoW click lift, Black Friday week vs. the week prior, in 2019 & 2020

BLACK FRIDAY/CYBER MONDAY RECAP

Video Cameras & Camcorders: -25%
Film Cameras: -25%
Digital Cameras: -15%

Microsoft Advertising
Post-Cyber Week checklist

Dec 1–Jan 3

Convert last-minute shoppers by making in-store and digital shopping complementary

- Reach those who prefer to buy online and pick up in-store (BOPIS) by promoting products available in nearby stores with Local Inventory Ads. Provide the exact store location with Location Extensions. Share in-store pickup availability with the Curbside Pickup Badge displayed with Local Inventory Ads.

Be direct

- Give customers clear calls to action with Action Extensions. Encourage engagement through direct messages, such as “Download” or “Reserve.”
- Use countdown customizers to ensure your customers know when shipping promotions end.
- Highlight top features of your business, like free shipping dates, with Callout Extensions and Promotion Extensions.

Optimize based on learnings gleaned from (pre-)Cyber Week performance

- Reduce setup time and improve ad quality with ad customizers. Let Microsoft Advertising do the heavy lifting – Provide one ad copy, and hundreds of customized ad variations will be created to test across audiences.
- Redistribute unused budget to top campaigns, increase your chances of getting more clicks, and ensure high-performing campaigns don’t pause with Shared Budgets.
- Boost clicks and conversions outside search with Microsoft Audience Ads, and use Dynamic Remarketing to remarket to those who viewed or added specific products to their carts.
- Target your best customers on any device with device targeting, and advertise where your best customers are with location targeting.

32% of shoppers plan to begin shopping in December.¹

55% increase in BOPIS revenue over season average the 7 days before Christmas.²

74M retail PC searchers on the Microsoft Search Network.³

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