Automotive overview - Italy and Spain
Microsoft Advertising Insights
Italy overview
### Content

- Total traffic and click trend
- User activity by time of day
- Audience socio-demographic profile
- Brand vs. generic terms
- Bidding strategy performance
- Traffic source analysis
- Recommended actions

### Methodology

- **Market**: Italy
- **Timeline**: 2020, January to November
- **Vertical**: Automotive
- **Traffic**: Microsoft Network O&O, All Devices
- **Analysis Dimensions**
  - **Brand vs. Generic**: Search Traffic and Performance metrics split between Brand (when a search query includes the mention of an Advertiser Brand name) and Generic (no brand mentions)
  - **Traffic Sources**: total vertical traffic categorized by source into Direct (all users going directly to relevant websites); Organic (all users landing to relevant websites directly from search engines’ organic results), PAID (all users landing on relevant websites from paid ads, including SEM, Social and Affiliate). 
  - **Automated Bidding Strategy**: clicks seen on the network by bidding strategy origin, split between eCPC, Target CPA and manual CPC.
Total search traffic and clicks trend

- Traffic peaked during the first wave of COVID-19 (Wave 1) and then decreased during the summer and picked up again in the fall.
- Clicks are showing growth in recent winter season’s weeks.

Source: Microsoft Advertising Network O&O Internal Data, Jan 2019 - Nov 2020, Automotive, Italy, All devices.
Total search traffic and clicks

- The average click-through rate (CTR) is higher compared to the previous year across both summer and winter 2020 periods
- We see a significant decrease in the average cost per click (CPC) year-over-year (YoY) in both summer and winter 2020

Source: Microsoft Advertising Network O&O Internal Data, Jan 2019 - Nov 2020, Automotive, Italy, All devices
Page views by hour of the day

Automotive users are mostly active during the first part of the day and post lunch-time

Source: Microsoft Advertising Network O&O Internal Data, Nov 2020, Automotive, Italy, All devices
Audience socio-demographic profile

During the first wave of COVID-19 (March-May 2020), we saw a larger share of young users on the network, with the age group 13-34 accounting for 34% of total searches, compared to 29% during the summer. The audience age profile seems to be following that pattern again with a larger number of young users (33%).

**User Gender Profile**

<table>
<thead>
<tr>
<th></th>
<th>Wave 1 (Mar-May)</th>
<th>Summer 2020 (Jun-Aug)</th>
<th>Winter 2020 (Sep-Nov)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>77%</td>
<td>78%</td>
<td>75%</td>
</tr>
<tr>
<td>Female</td>
<td>23%</td>
<td>22%</td>
<td>25%</td>
</tr>
</tbody>
</table>

**User Age Profile**

<table>
<thead>
<tr>
<th></th>
<th>Wave 1 (Mar-May)</th>
<th>Summer 2020 (Jun-Aug)</th>
<th>Winter 2020 (Sep-Nov)</th>
</tr>
</thead>
<tbody>
<tr>
<td>13-17</td>
<td>2%</td>
<td>1%</td>
<td>2%</td>
</tr>
<tr>
<td>18-24</td>
<td>14%</td>
<td>11%</td>
<td>14%</td>
</tr>
<tr>
<td>25-34</td>
<td>18%</td>
<td>17%</td>
<td>17%</td>
</tr>
<tr>
<td>35-49</td>
<td>32%</td>
<td>31%</td>
<td>30%</td>
</tr>
<tr>
<td>50-64</td>
<td>25%</td>
<td>29%</td>
<td>27%</td>
</tr>
<tr>
<td>65+</td>
<td>9%</td>
<td>11%</td>
<td>10%</td>
</tr>
</tbody>
</table>
Brand vs. generic search and click trends

- During Wave 1 we saw a decrease in both brand traffic and clicks. Brand traffic recovered steadily in the summer until recent weeks.
- The click trends show a faster recovery in generic terms with brand clicks picking up in November.
Brand vs. generic reach and performance

- Generic terms accounted for the largest share of total traffic and clicks during all seasons
- The average CPC for generic terms increased during winter 2020

Source: Microsoft Advertising Network O&O Internal Data, Jan 2019 - Nov 2020, Automotive, Italy, All devices
Automated bidding strategy analysis

- Enhanced (eCPC) and Manual CPC bidding account for the vast majority of clicks
- Maximise Clicks strategy’s click share grew in recent weeks reaching 17%

Source: Microsoft Advertising Network O&O Internal Data, Jan 2020 - Nov 2020, Automotive, Italy, All devices
Digital traffic source analysis

- Organic traffic from all search engines accounts for the majority of total traffic to Automotive websites in Italy.
- Direct traffic (including all channels) is re-gaining momentum reaching 25% share after a significant decrease seen during summer time. Paid share is growing steadily and reaching the 17% share.

Traffic source trend
(2020 April to November)

Source: Microsoft Advertising Internal Data, Apr 2020 - Nov 2020, Automotive, Italy, website traffic analysis, IE/Edge data (GRDP compliant)
Key findings

- **COVID-19 Wave 1** (Mar-May) highly impacted the consumer’s interest in Automotive and resulted in a significant decrease in traffic and clicks seen on our network.
- **The industry is now steadily recovering** with recent months showing growth in both traffic and clicks.
- **Generic traffic** does account for the vast majority of searches and clicks at relatively low CPCs.
- Automated bidding strategies are working well, especially **eCPC** and **Maximize Clicks** that are growing click share steadily since the year began.
- Paid traffic to websites is gaining momentum and growing its share of total traffic.

Recommended actions

- Prepare, **expand and optimize** your campaigns and keyword sets in order to fully profit from the recovery that we are witnessing.
- Make sure your brand traffic is fully covered, but do **leverage generic searches** to drive users to your properties and increase conversions.
- Leverage eCPC and Maximize Clicks **automated bidding strategies** to improve performance.
- Renew your search engine optimization (SEO) strategy in order to leverage this channel further and **continue to optimize paid traffic from all channels to drive more customers to your properties**.
Spain overview
Content

- Total traffic and click trend
- Audience socio-demographic profile
- Brand vs. generic terms
- Bidding strategy performance
- Traffic source analysis
- Recommended actions

Methodology

- **Market**: Spain
- **Timeline**: 2020, January to November
- **Vertical**: Automotive
- **Traffic**: Microsoft Network O&O, All Devices
- **Analysis Dimensions**
  - **Brand vs Generic**: Search Traffic and Performance metrics split between Brand (when a search query includes the mention of an Advertiser Brand name) and Generic (no brand mentions)
  - **Traffic Sources**: total vertical traffic categorized by source into Direct (all users going directly to relevant websites); Organic (all users landing to relevant websites directly from search engines' organic results), PAID (all users landing on relevant websites from paid ads, including SEM, Social and Affiliate). *Data sourced from IE/Edge browser anonymized surfing data, in compliance to GDPR*
  - **Automated Bidding Strategy**: clicks seen on the network by bidding strategy origin, split between eCPC, Target CPA and manual CPC.
Total search traffic and clicks trend

- Traffic peaked during the first wave of COVID-19 (Wave 1) and then decreased during the summer and picked up again in the fall.
- The click trend is showing growth in the winter season.

Source: Microsoft Advertising Network O&O Internal Data, Jan 2019 - Nov 2020, Automotive, Spain, All devices
The average click through rate (CTR) is higher compared to 2019 across both summer and winter 2020 periods.

We do see a slight year over year (YoY) increase in the average cost per click (CPC) starting in the summer months.
Audience socio-demographic profile

During the first wave of COVID-19 (March-May 2020), we saw a larger share of young users on the network, with the age group 13-34 accounting for 34% of total, compared to 28% during Summer. The audience age profile seems to be following that pattern again with a larger number of young users (34%).

Source: Microsoft Advertising Network O&O Internal Data, Jan 2019 - Nov 2020, Automotive, Spain, All devices
Brand vs. generic terms search and click trends

- During Wave 1, we saw a significant increase in generic traffic but in this time frame the majority of clicks went to brand terms, indicating reduced activity from advertisers bidding on generic terms.
- Click trends show a constant recovery in both brand and generic terms starting at the end of the summer.

Source: Microsoft Advertising Network O&O Internal Data, Jan 2019 - Nov 2020, Automotive, Spain, All devices.
Brand vs. generic reach and performance

- Generic terms accounted for largest share of total traffic and clicks during all seasons
- The average CPC for generic clicks during Winter 2020 is still very low and just slightly lower than during Wave 1

Search traffic %
- Wave 1 (Mar-May): 85%
- Summer 2020 (Jun-Aug): 89%
- Winter 2020 (Sep-Nov): 86%
- Generic: 15%
  - Wave 1 (Mar-May): 11%
  - Summer 2020 (Jun-Aug): 14%

Clicks %
- Wave 1 (Mar-May): 91%
- Summer 2020 (Jun-Aug): 96%
- Winter 2020 (Sep-Nov): 92%
- Generic: 9%
  - Wave 1 (Mar-May): 6%
  - Summer 2020 (Jun-Aug): 8%

Average CTR
- Wave 1 (Mar-May)
- Summer 2020 (Jun-Aug)
- Winter 2020 (Sep-Nov)

Average CPC $
- Wave 1 (Mar-May)
- Summer 2020 (Jun-Aug)
- Winter 2020 (Sep-Nov)

Legend
- Brand
- Generic

Source: Microsoft Advertising Network O&O Internal Data, Jan 2019 - Nov 2020, Automotive, Spain, All devices
Automated bidding strategy analysis

- Enhanced CPC (eCPC) and Manual CPC bidding do count for the vast majority of clicks
- eCPC click share grew since 2020 beginning, going from 31% to 43%

Source: Microsoft Advertising Network O&O Internal Data, Jan 2020 - Nov 2020, Automotive, Spain, All devices
Digital traffic source analysis

- Organic traffic from all search engines accounts for the majority of total traffic to Automotive websites in Spain.
- Direct traffic (including all channels) is re-gaining momentum reaching 25% share after a significant decrease seen during the summer time. Paid share is linear and steadily in the 10%-12% range.

Traffic source trend
(2020 Apr to Nov)

Source: Microsoft Advertising Internal Data, Apr 2020 - Nov 2020, Automotive, Spain, website traffic analysis, IE/Edge data (GRDP compliant)
Key findings

- During COVID-19 Wave 1 (Mar-May) we saw increases in traffic with people in lockdown spending more time at home. This did not turn into a growth in paid clicks, indicating low advertiser activity during the period.
- The industry is now steadily recovering with recent months showing growth in both traffic and clicks.
- Generic traffic does account for the vast majority of searches and clicks at relative low CPCs.
- Automated bidding strategies are working well, especially eCPC that is growing click share steadily.
- Direct traffic to websites is re-gaining momentum.

Recommended actions

- Prepare, expand and optimize your campaigns and keyword sets in order to fully capitalize from the recovery that we are seeing.
- Make sure your brand terms are fully covered, but do leverage generic searches to drive users to your properties and increase conversions.
- Leverage eCPC and automated bidding strategies to improve performance.
- Renew your search engine optimization (SEO) strategy in order to leverage this channel further but also continue to optimize paid traffic from all channels to drive more customers to your properties.
To get actionable data, insights and best practices to help make decisions and grow your business, visit MicrosoftAdvertising.com/Insights