



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

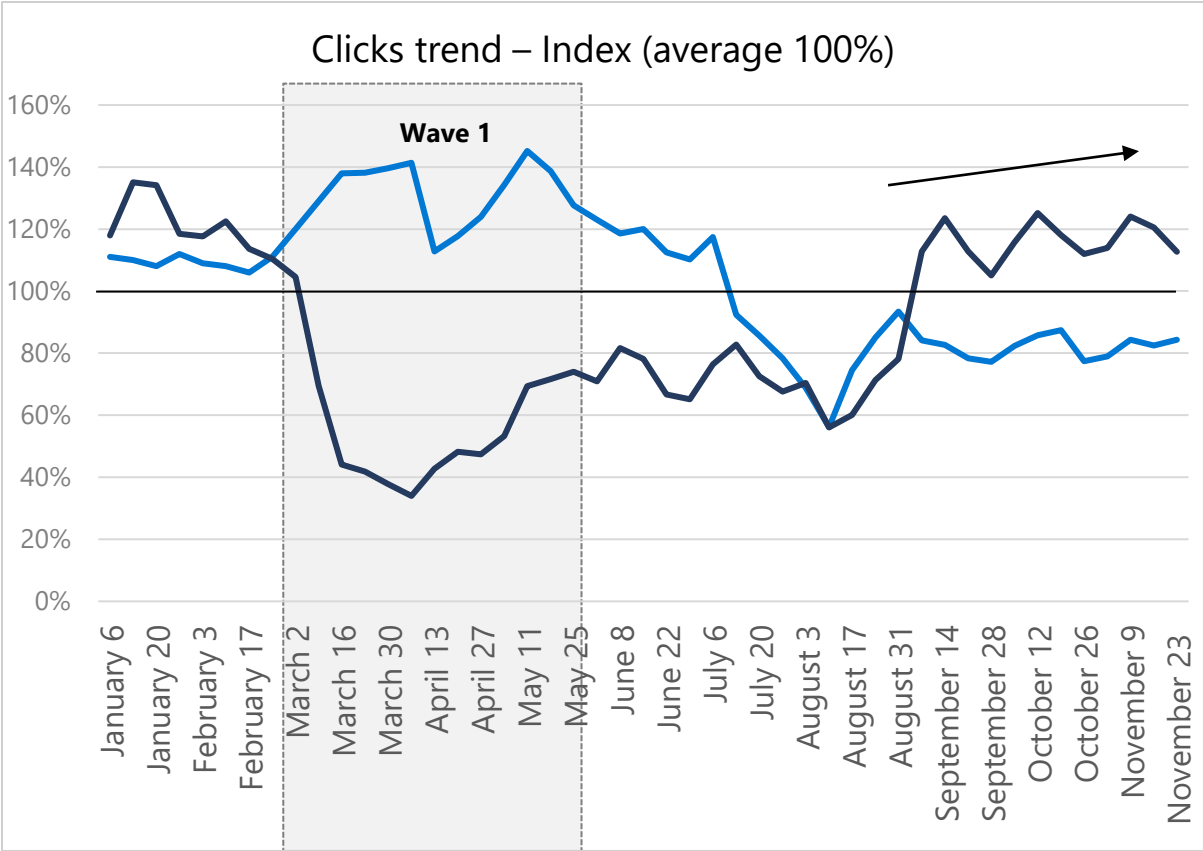
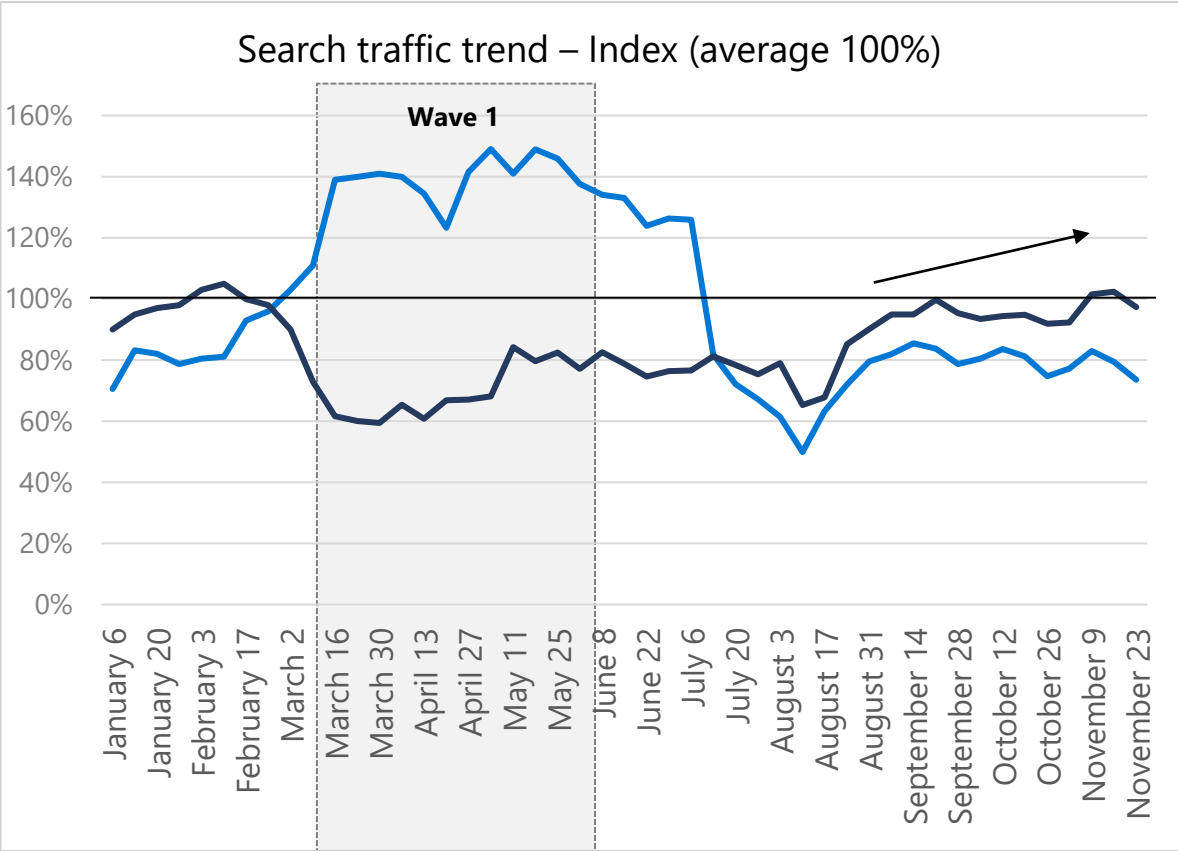
Methodology

- **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). *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



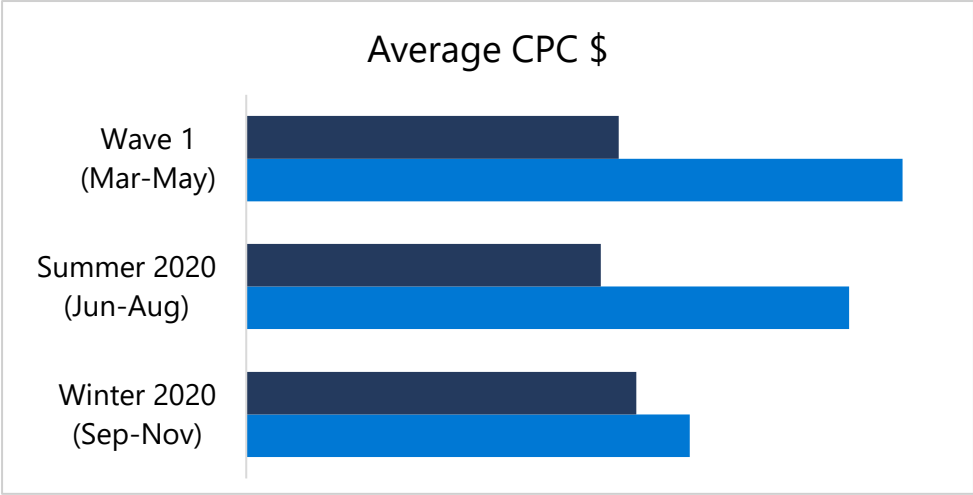
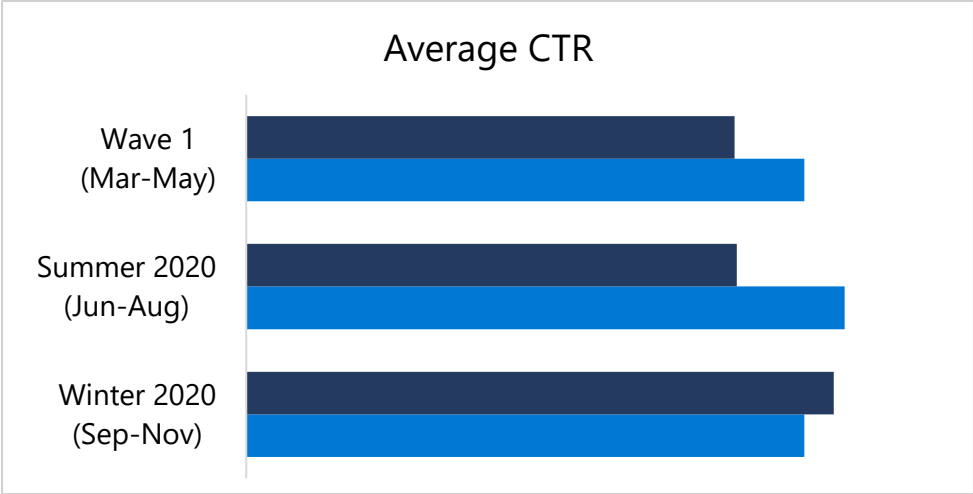
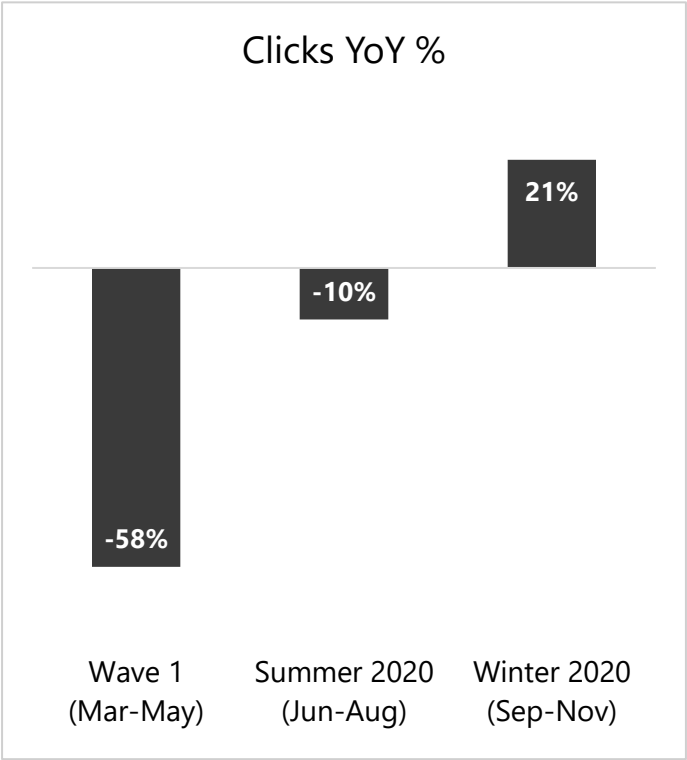
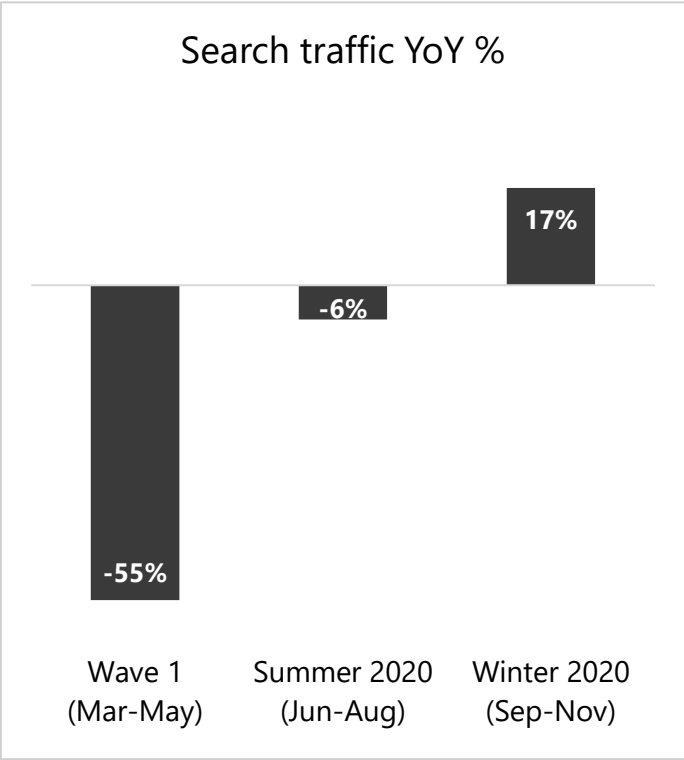
- Traffic peaked during the first wave of COVID-19 (Wave 1) and then decreased during the summer and picked up again in the fall
- Clicks are showing growth in recent winter season's weeks



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

Total search traffic and clicks

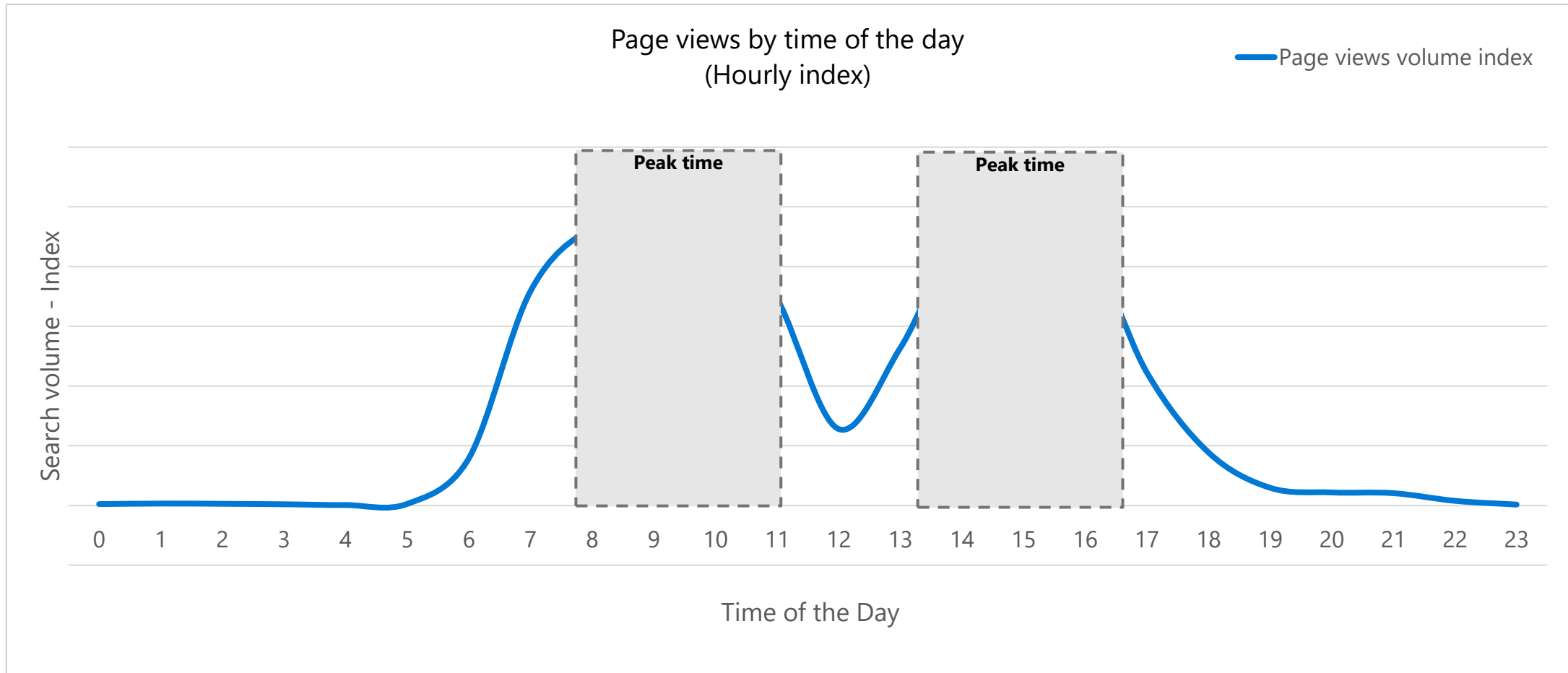
- The average click-through rate (CTR) is higher compared to the previous year across both summer and winter 2020 periods
- We see a significant decrease in the average cost per click (CPC) year-over-year (YoY) in both summer and winter 2020



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

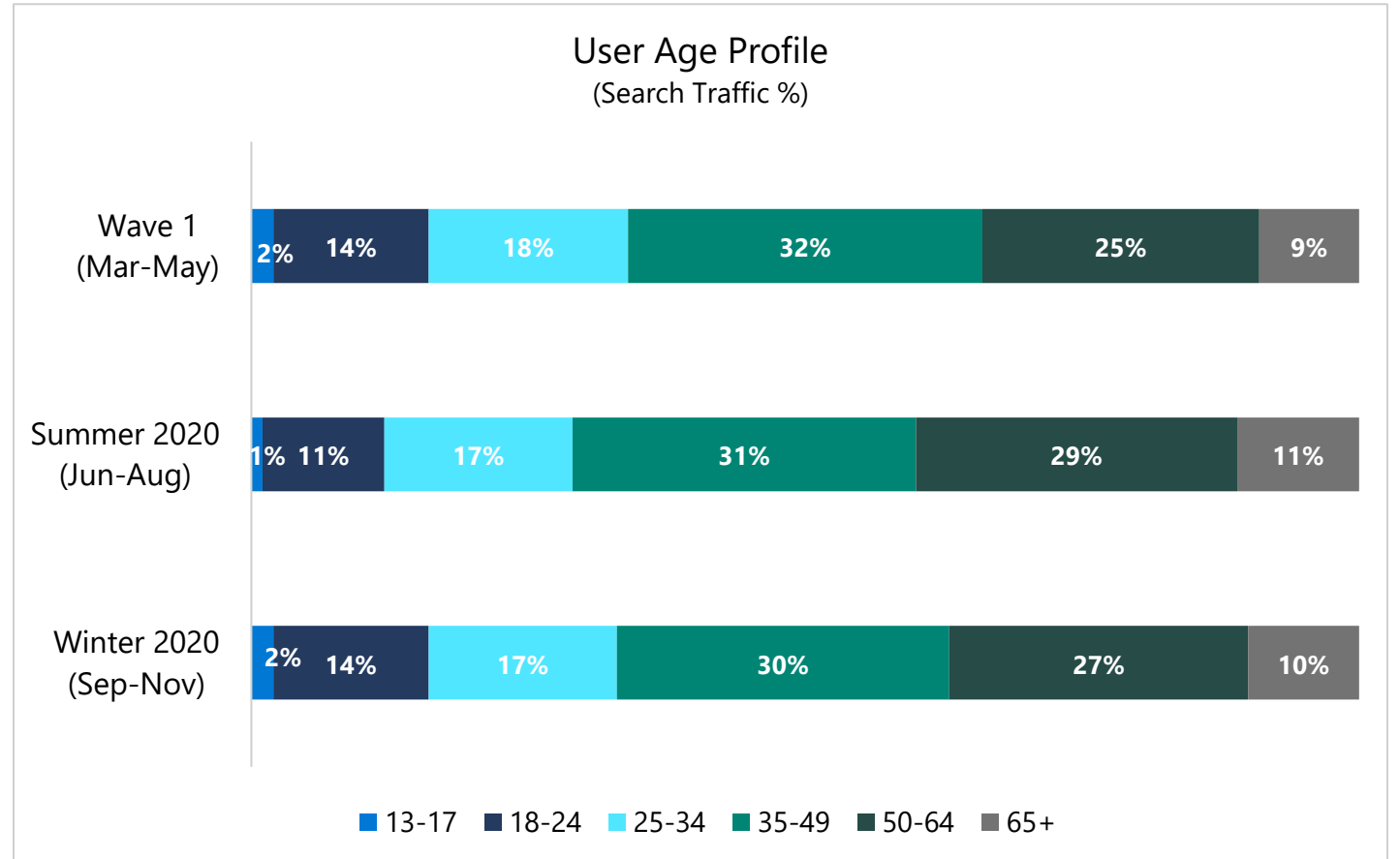
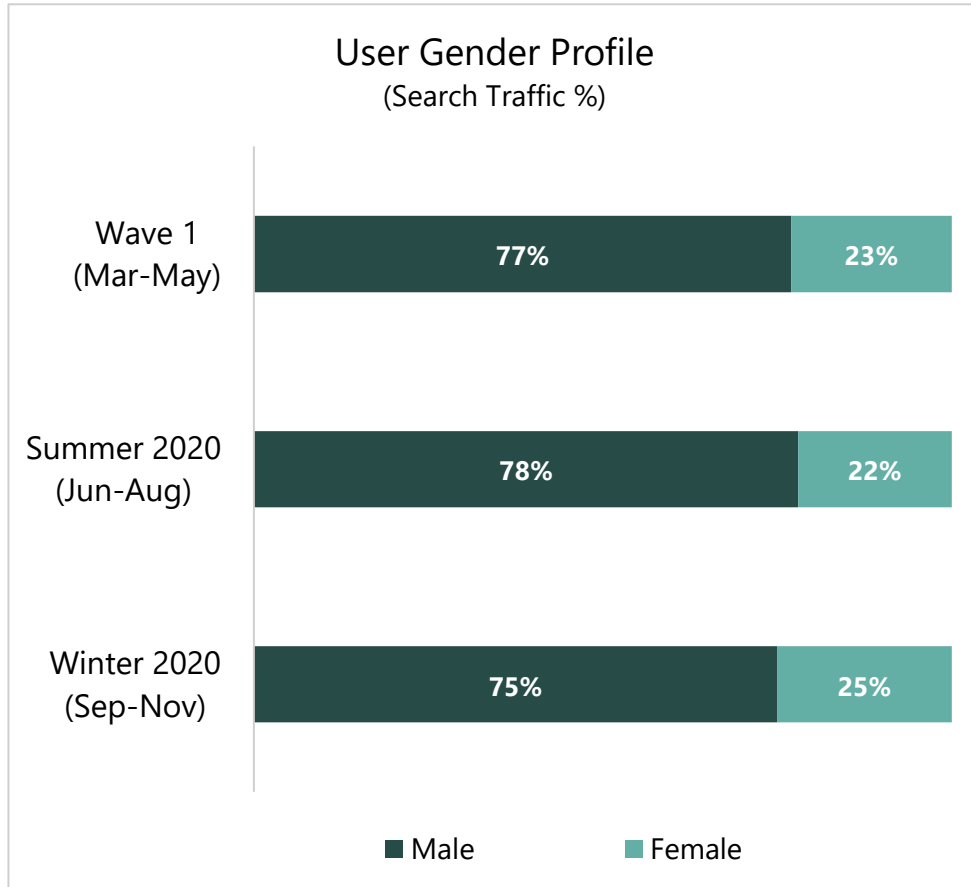
Page views by hour of the day

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

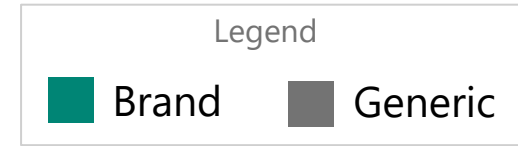


Audience socio-demographic profile

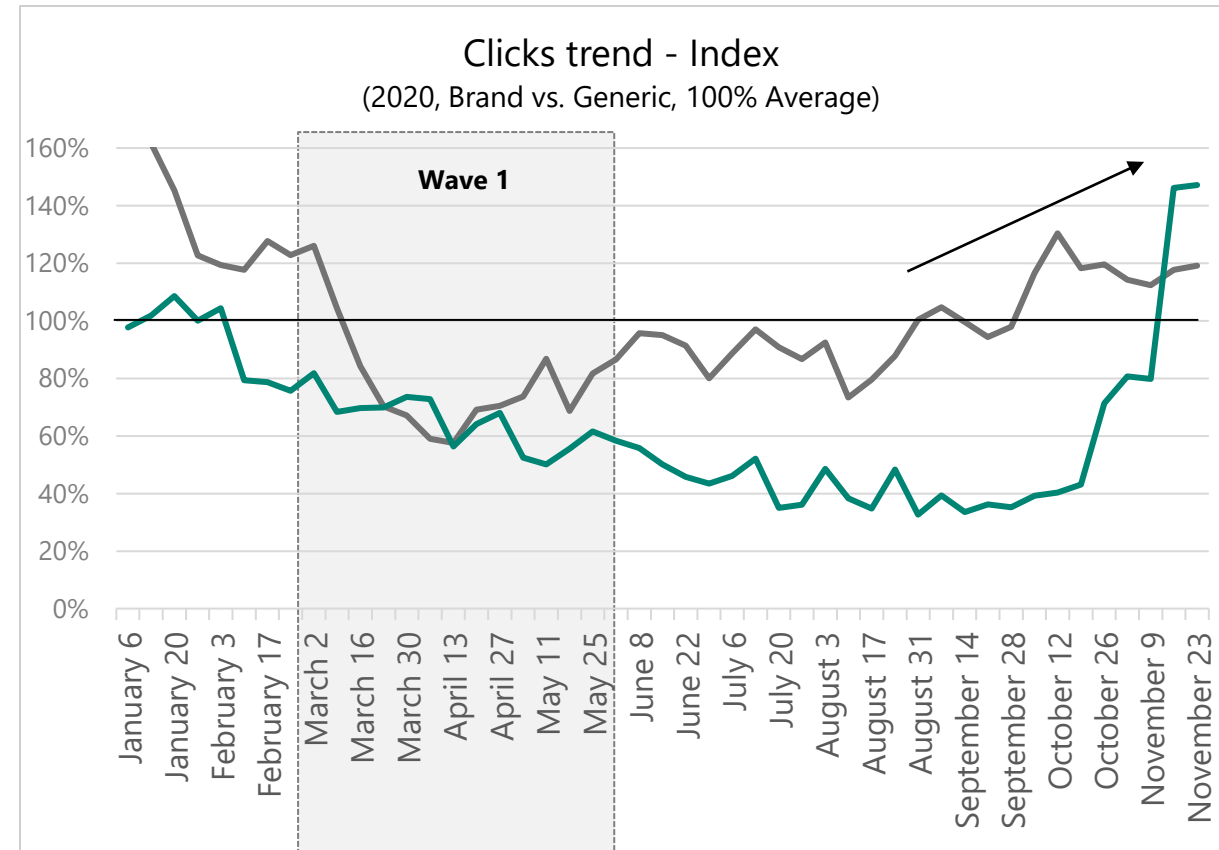
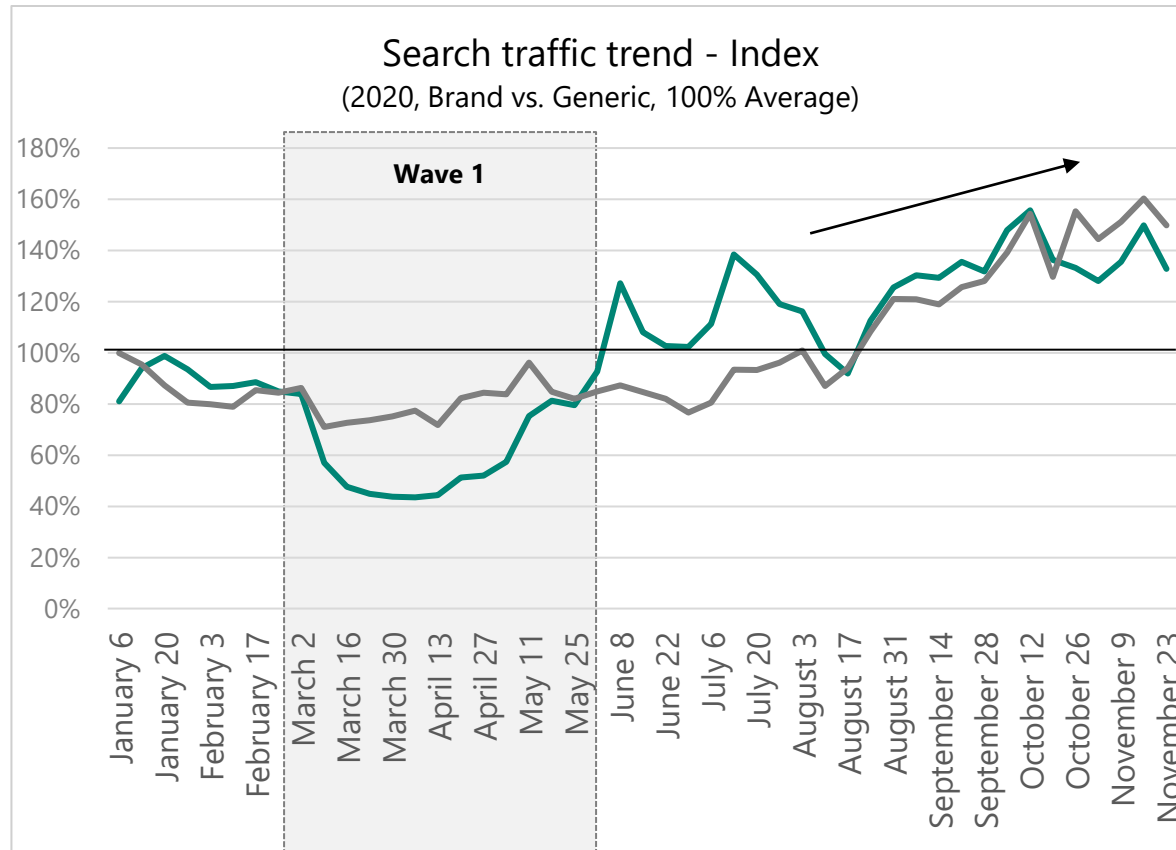
During the first wave of COVID-19 (March-May 2020), we saw a larger share of young users on the network, with the age group 13-34 accounting for 34% of total searches, compared to 29% during the summer. The audience age profile seems to be following that pattern again with a larger number of young users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



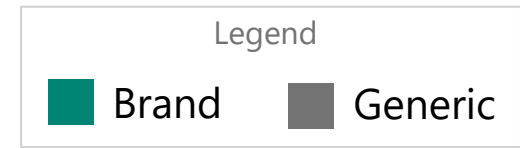
Brand vs. generic search and click trends



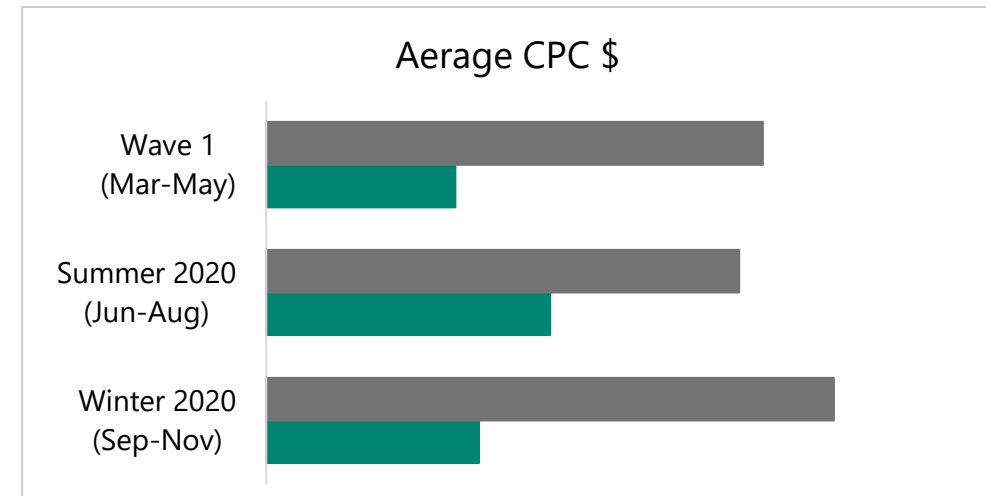
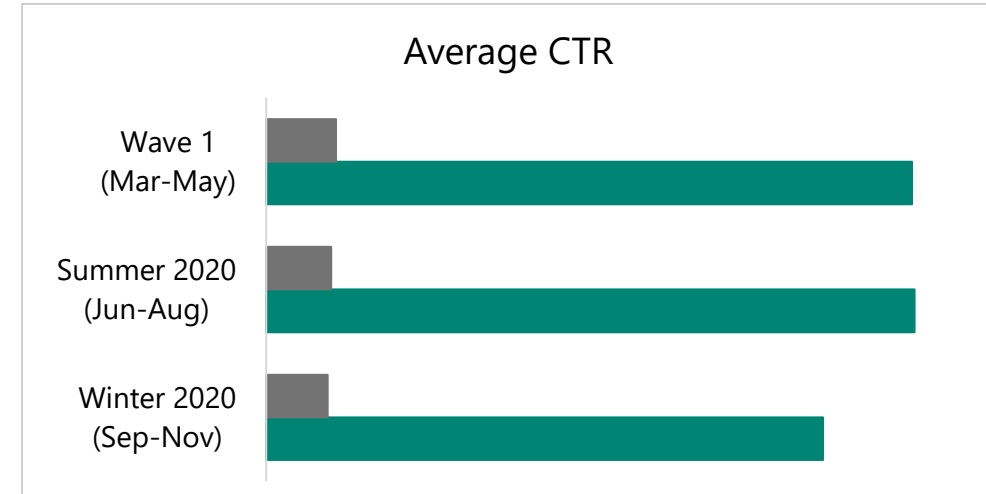
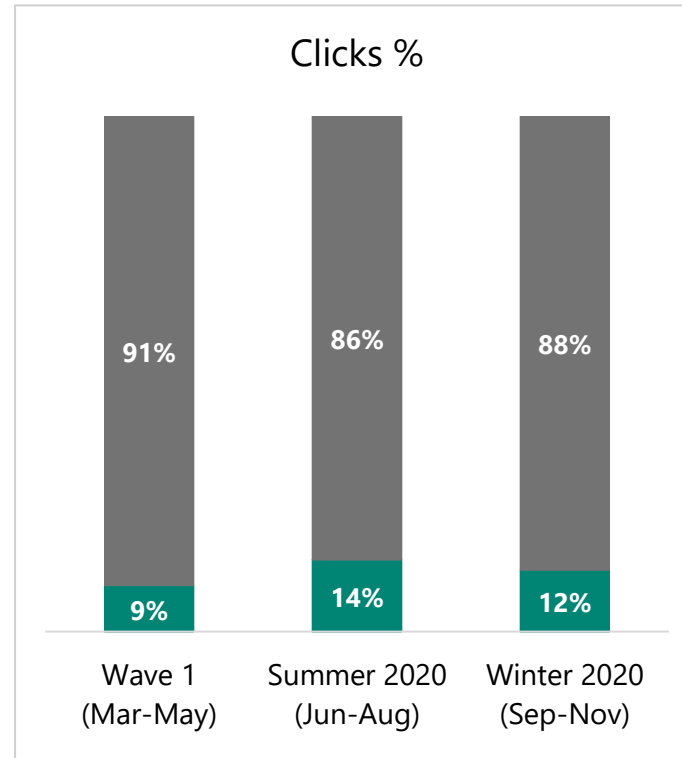
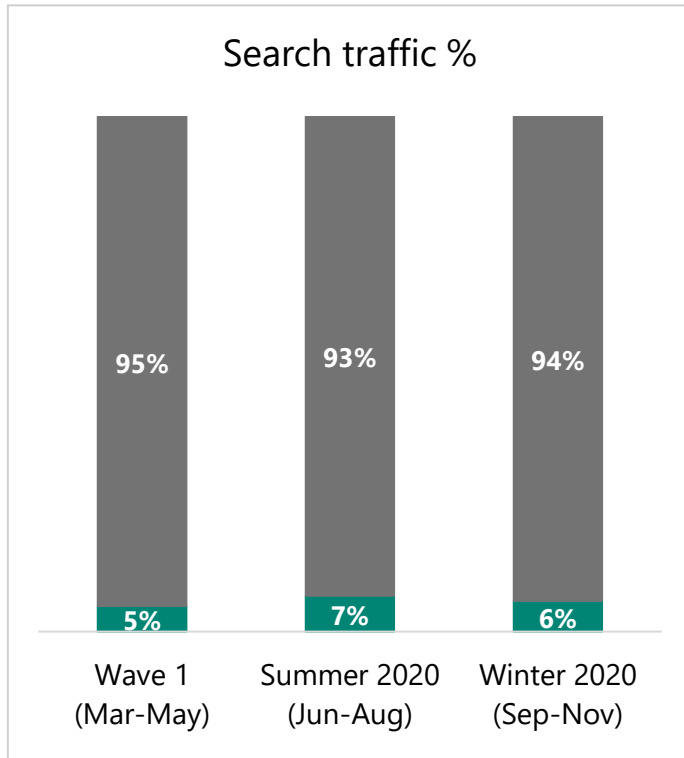
- During Wave 1 we saw a decrease in both brand traffic and clicks. Brand traffic recovered steadily in the summer until recent weeks.
- The click trends show a faster recovery in generic terms with brand clicks picking up in November



Brand vs. generic reach and performance

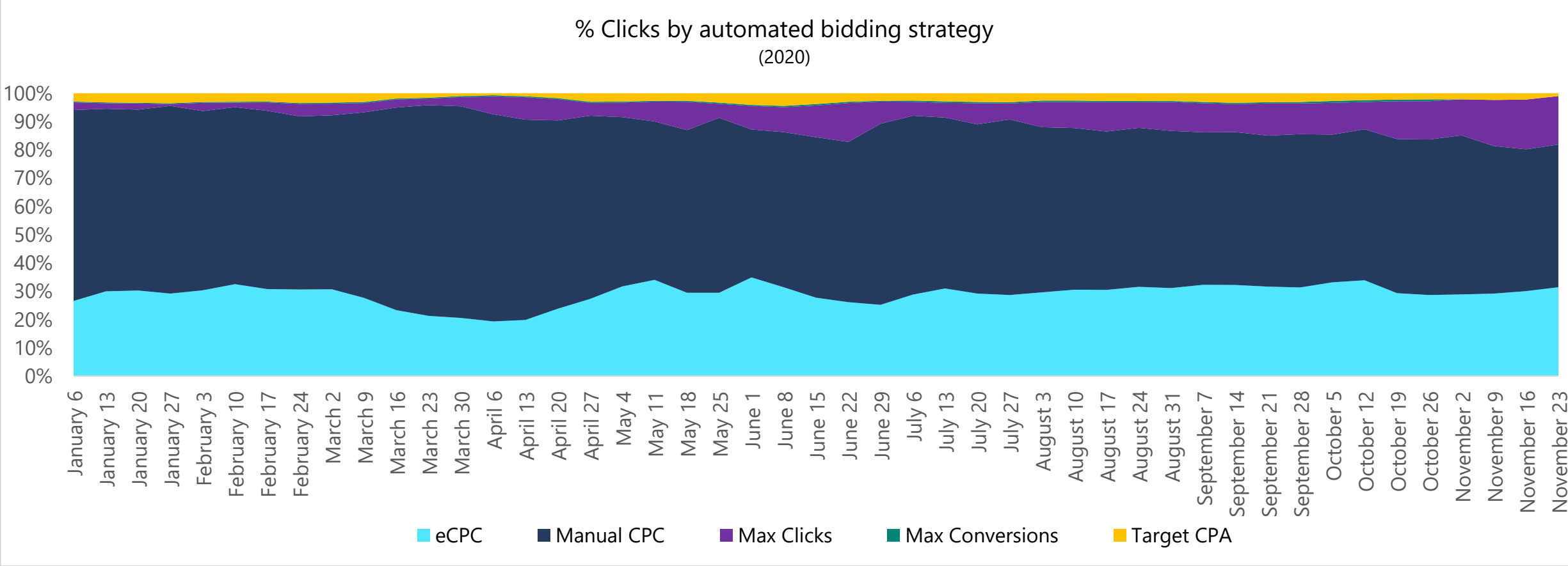


- Generic terms accounted for the largest share of total traffic and clicks during all seasons
- The average CPC for generic terms increased during winter 2020



Automated bidding strategy analysis

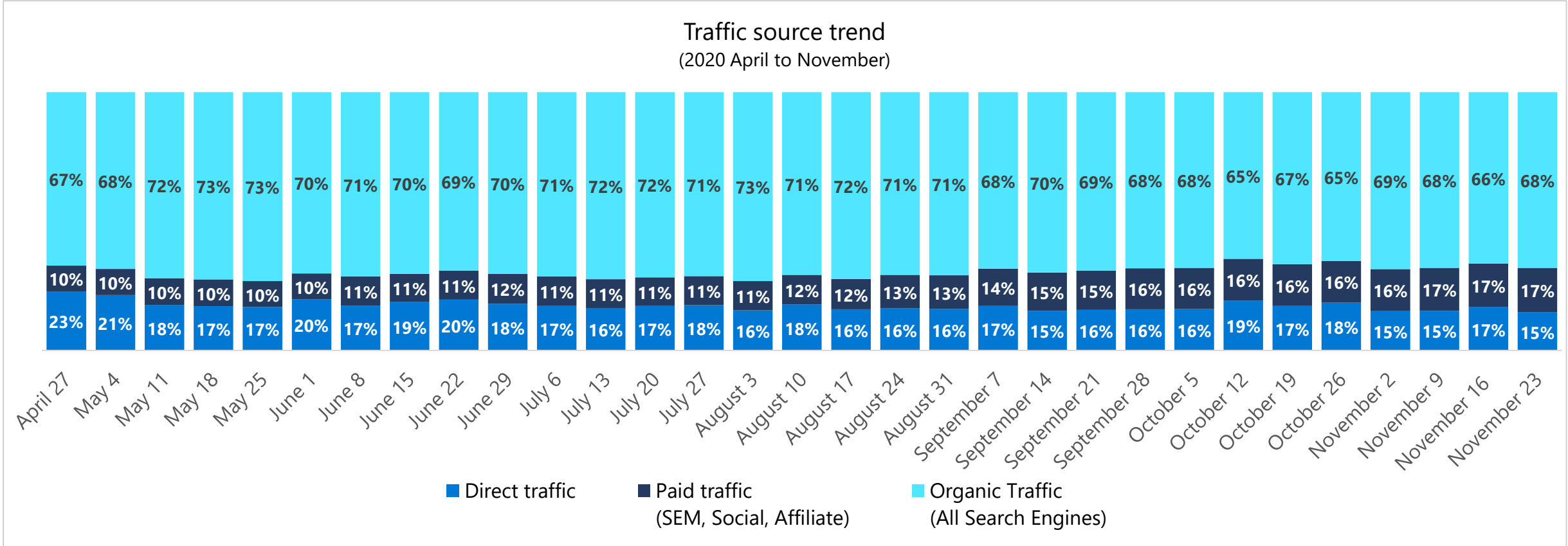
- Enhanced (eCPC) and Manual CPC bidding account for the vast majority of clicks
- Maximise Clicks strategy's click share grew in recent weeks reaching 17%



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.



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



Key findings

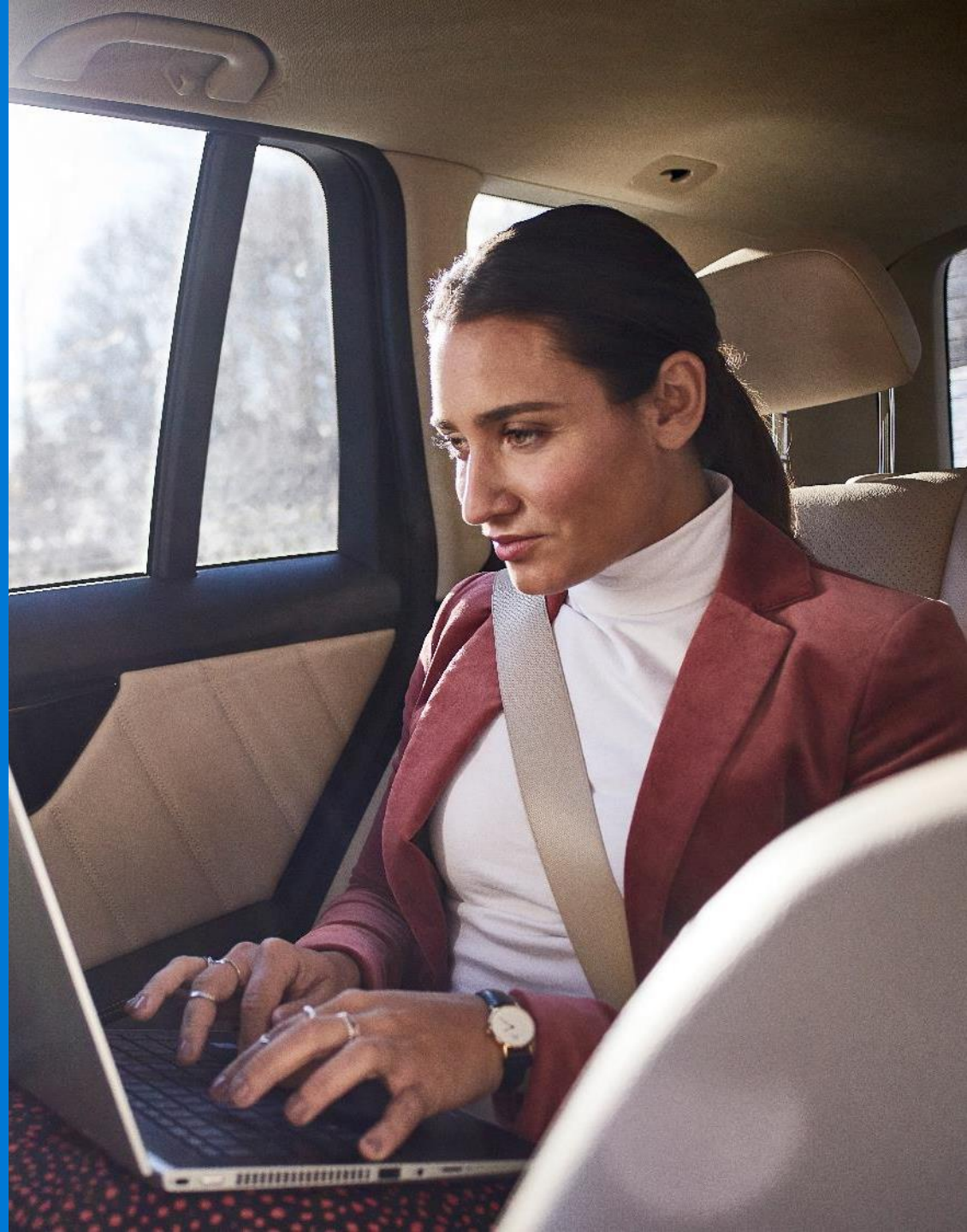
- **COVID-19 Wave 1** (Mar-May) highly impacted the consumer's interest in Automotive and resulted in a significant decrease in traffic and clicks seen on our network
- **The industry is now steadily recovering** with recent months showing growth in both traffic and clicks
- **Generic traffic** does 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

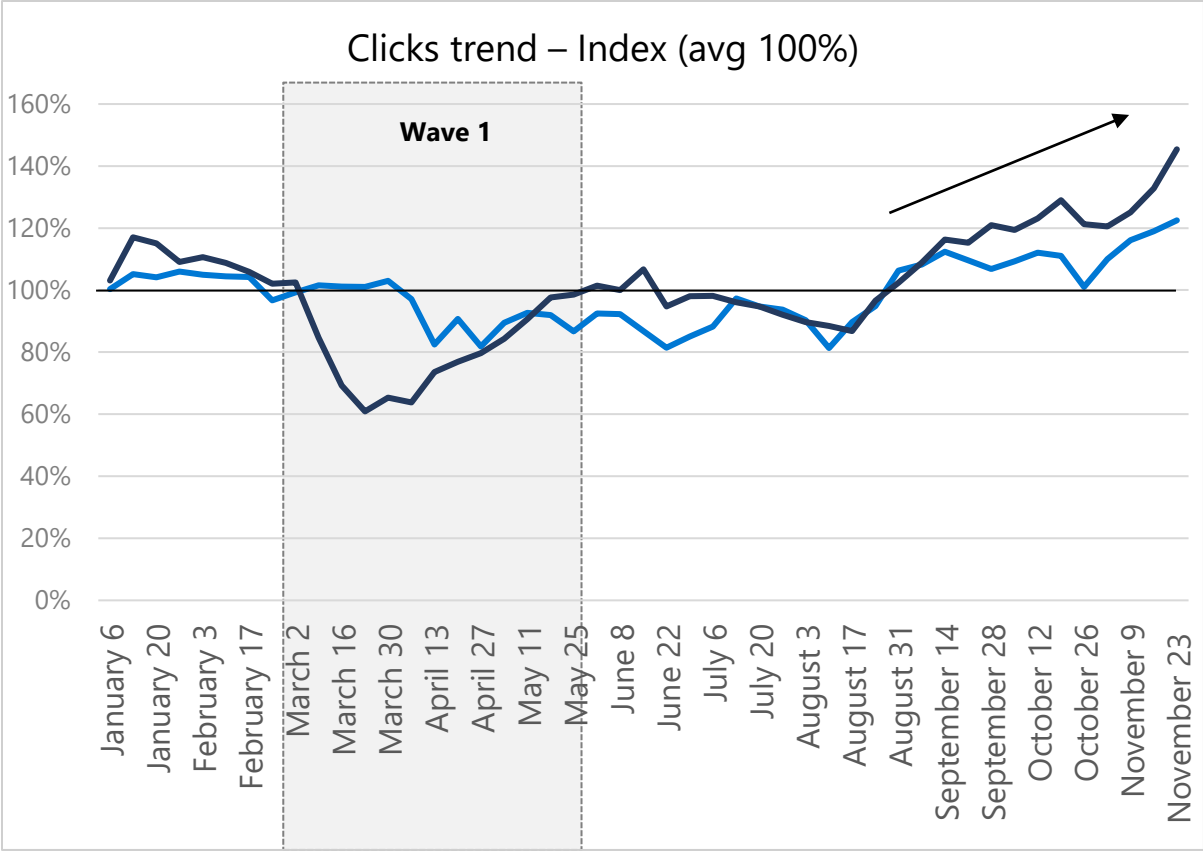
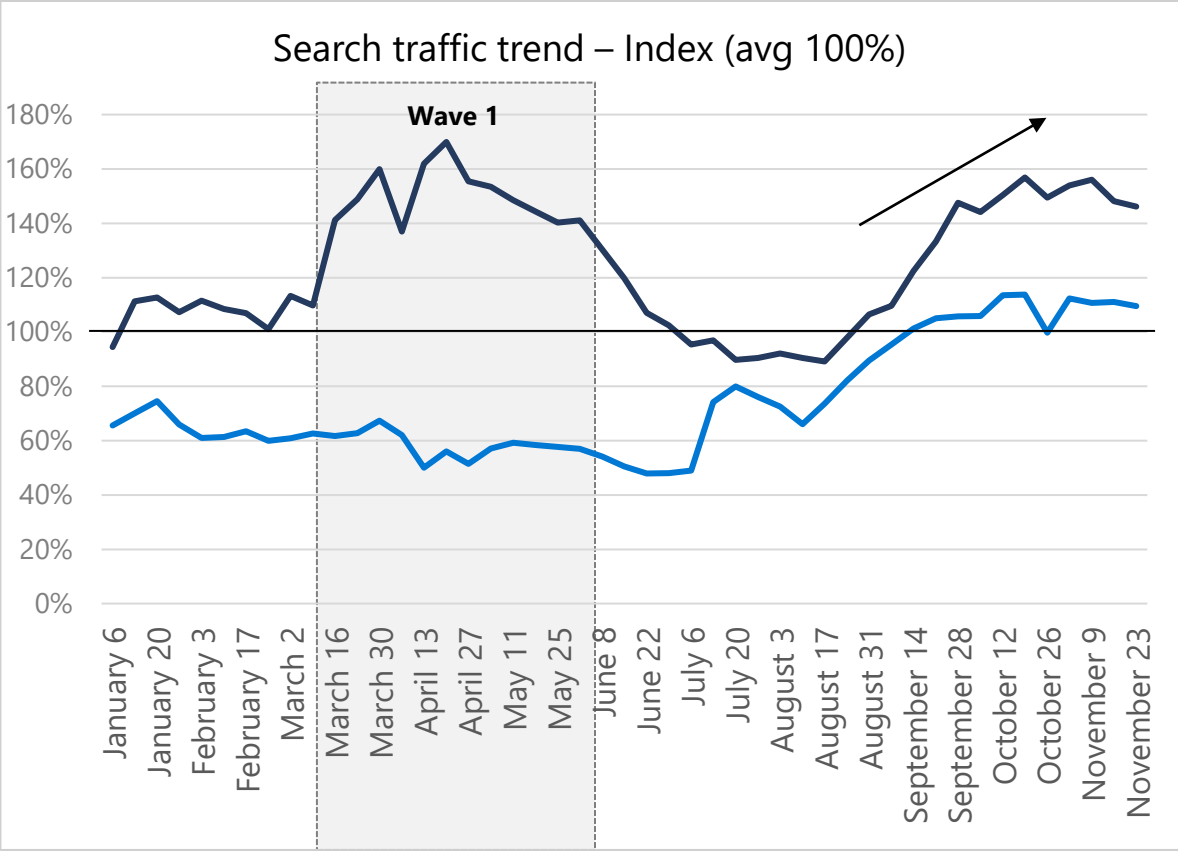
- **Market:** Spain
- **Timeline:** 2020, January to November
- **Vertical:** Automotive
- **Traffic:** Microsoft Network O&O, All Devices
- **Analysis Dimensions**
 - **Brand vs Generic:** Search Traffic and Performance metrics split between Brand (when a search query includes the mention of an Advertiser 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

Legend

■ 2019 ■ 2020

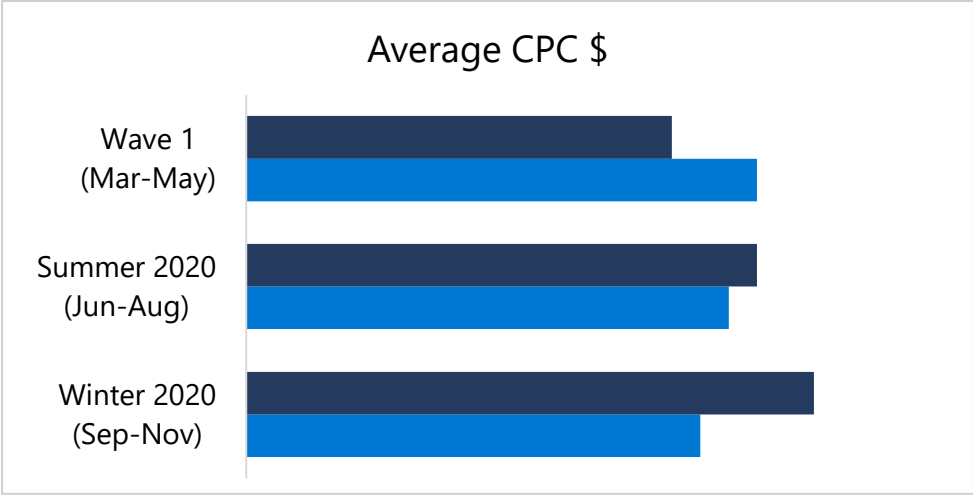
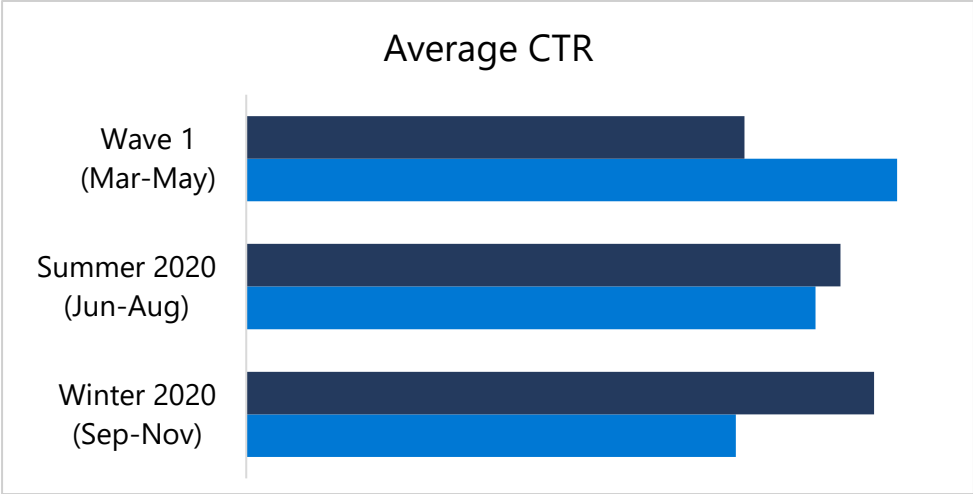
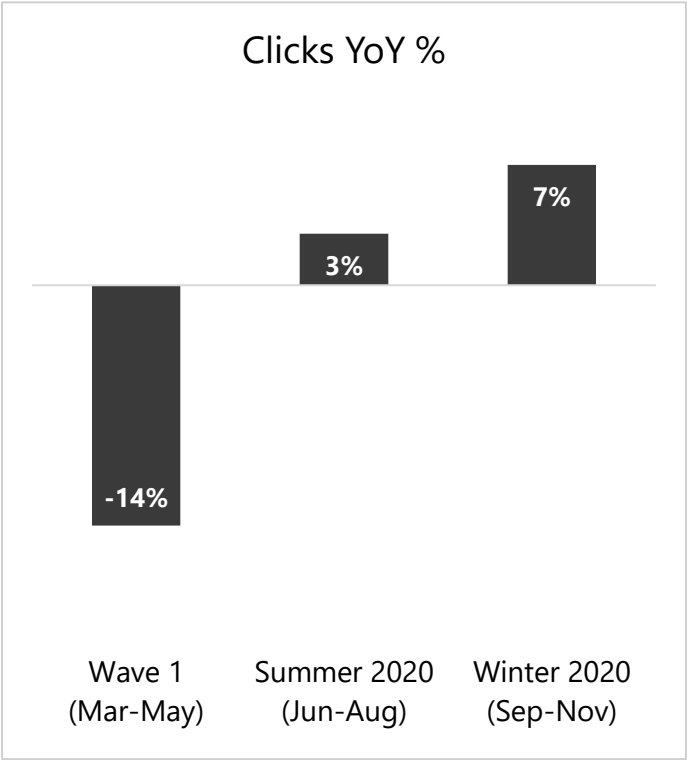
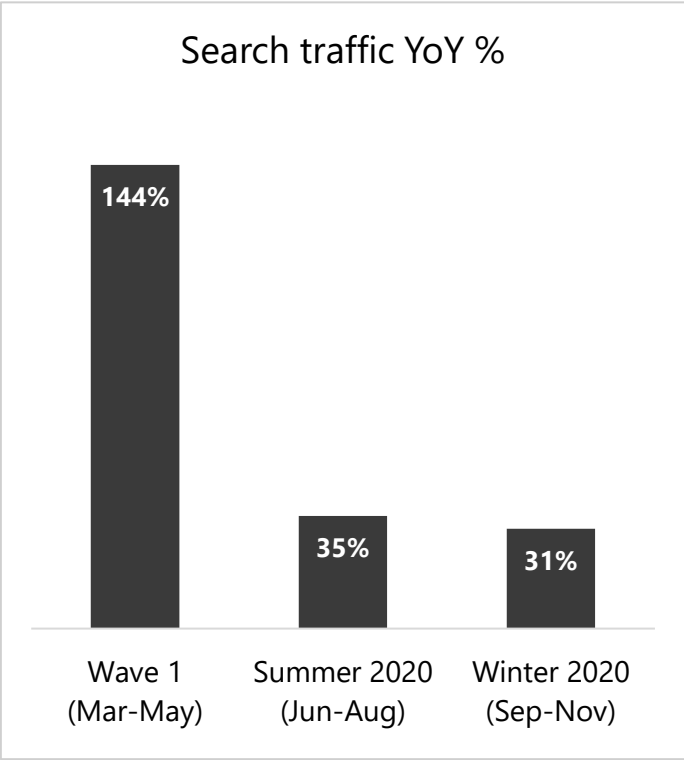
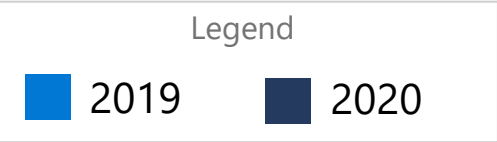
- Traffic peaked during the first wave of COVID-19 (Wave 1) and then decreased during the summer and picked up again in the fall
- The click trend is showing growth in the winter season



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

Total search traffic and clicks

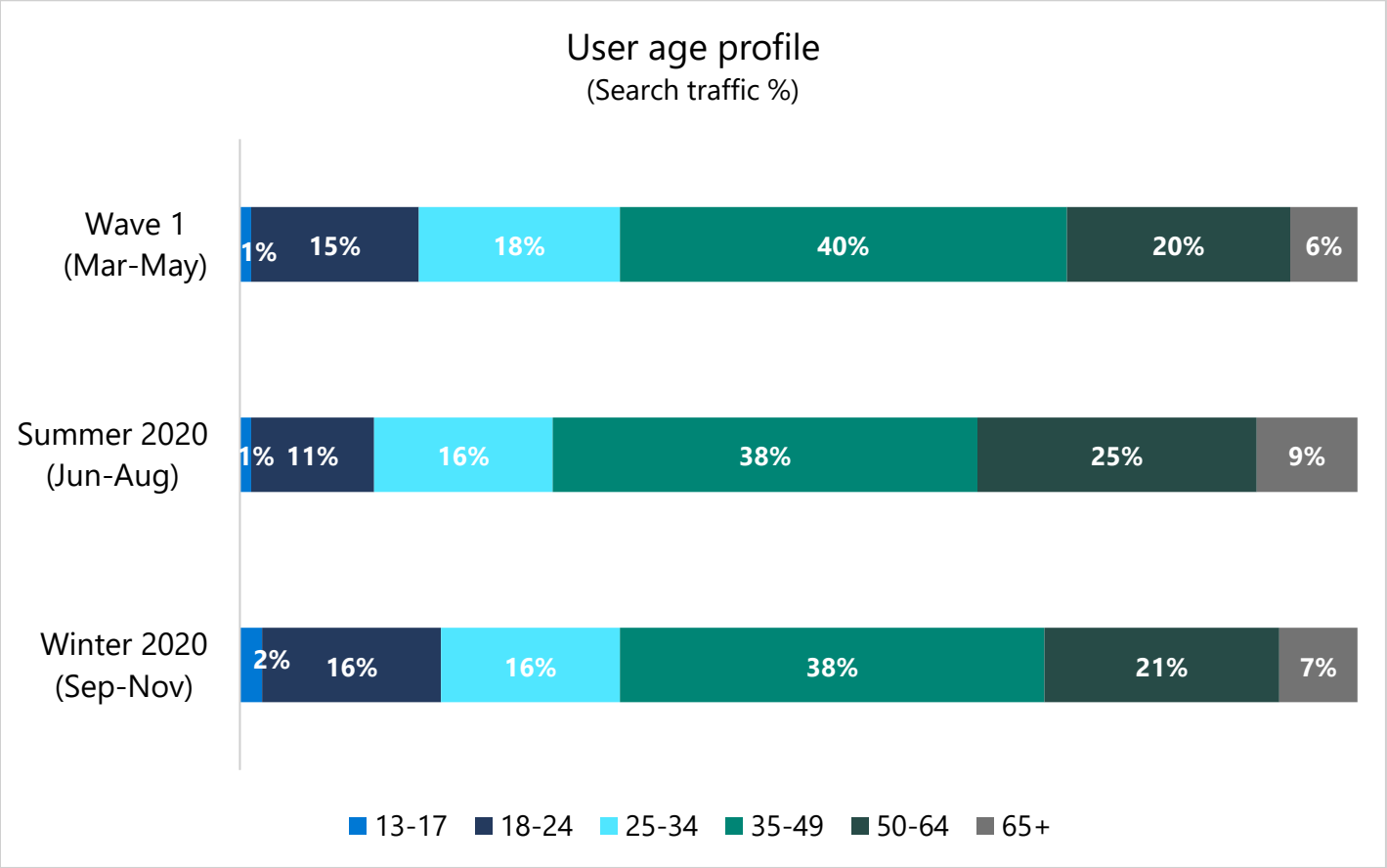
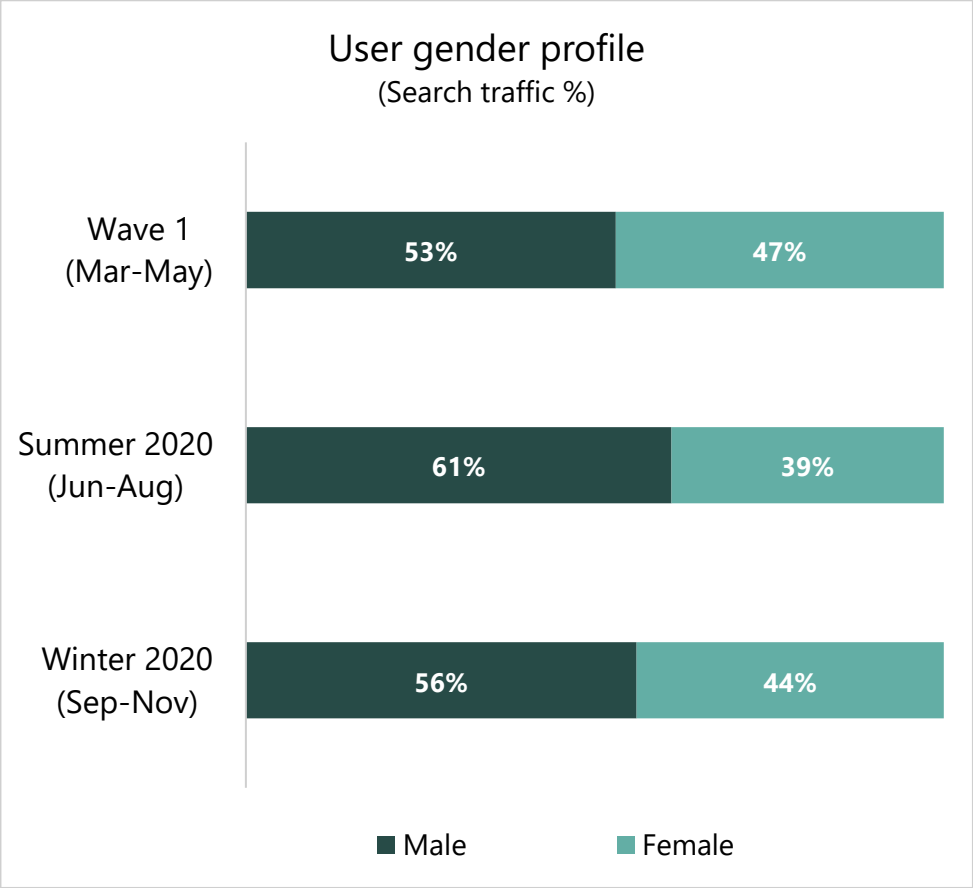
- The average click through rate (CTR) is higher compared to 2019 across both summer and winter 2020 periods
- We do see a slight year over year (YoY) increase in the average cost per click (CPC) starting in the summer months



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

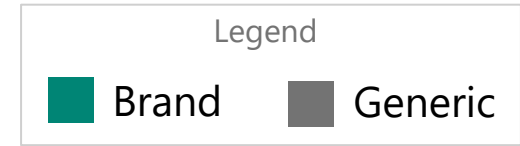
Audience socio-demographic profile

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, compared to 28% during Summer. The audience age profile seems to be following that pattern again with a larger number of young users (34%).

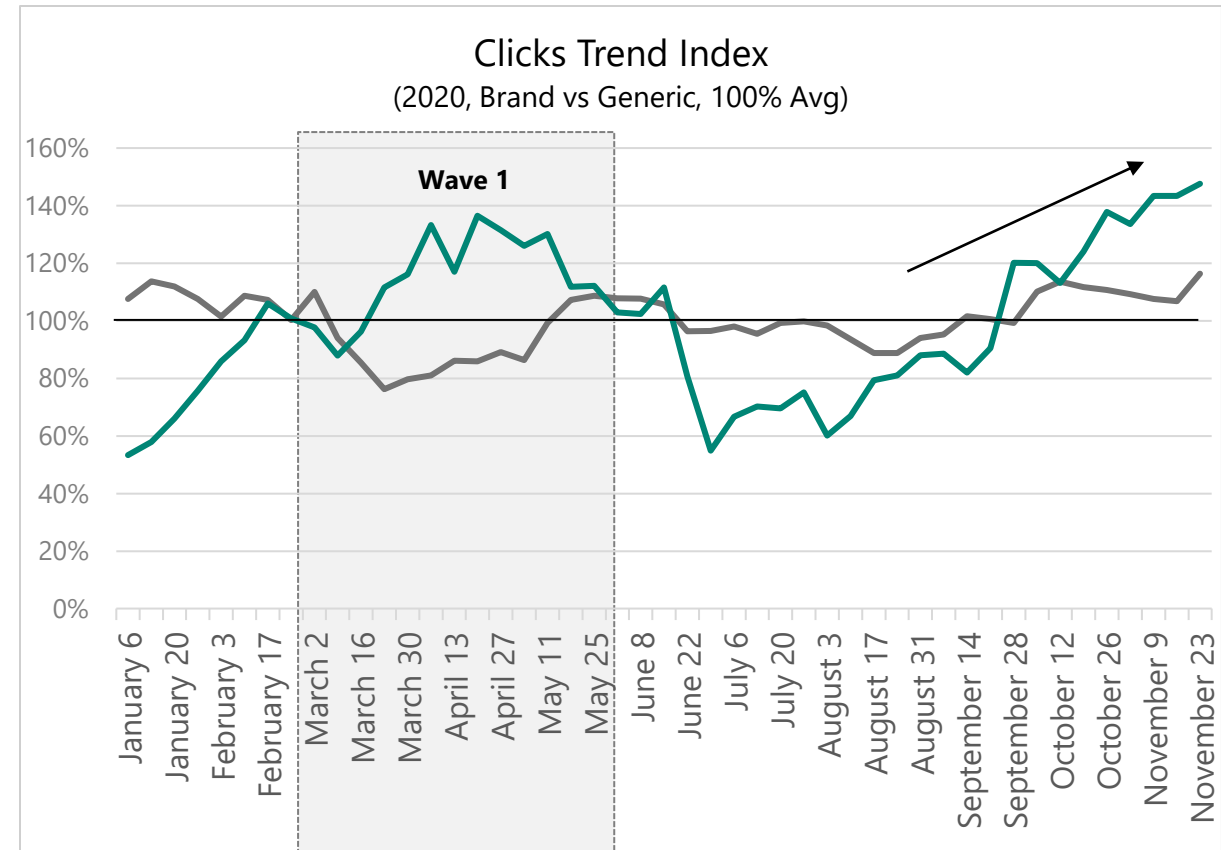
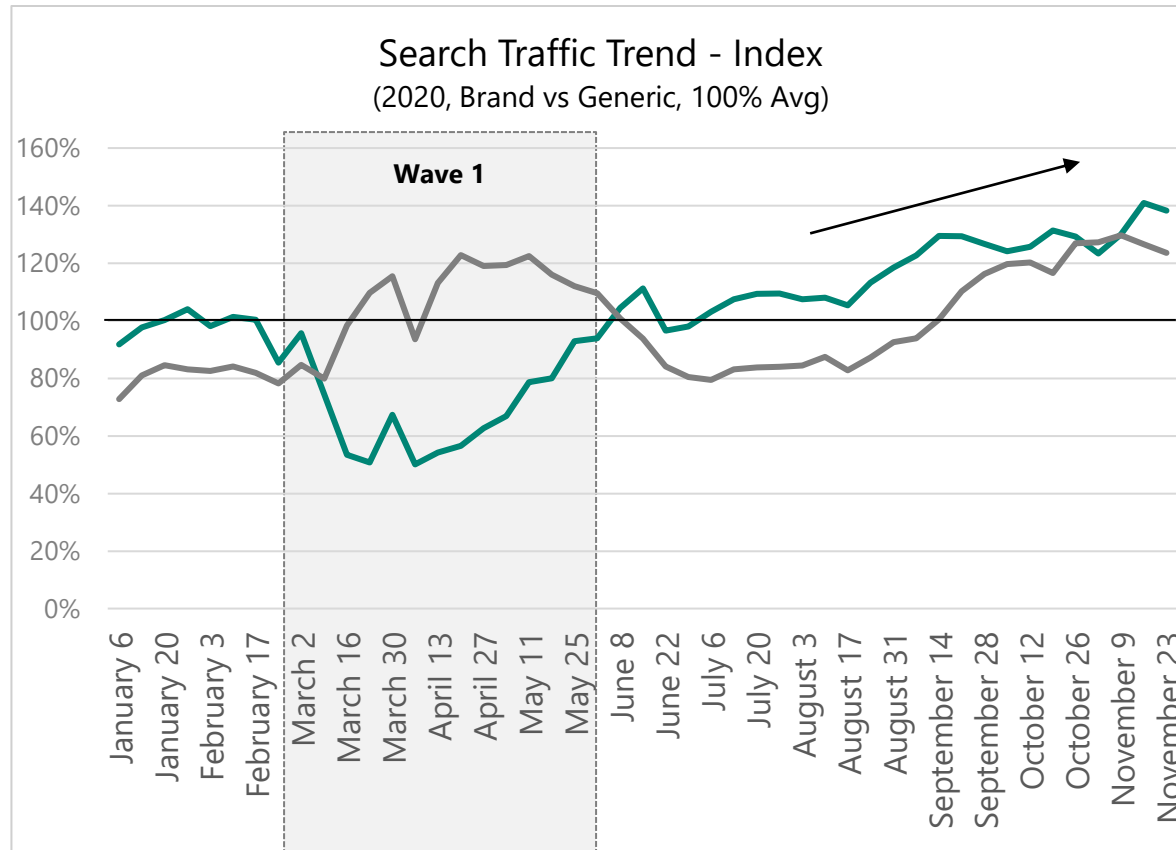


Source: Microsoft Advertising Network O&O Internal Data, Jan 2019 - Nov 2020, Automotive, Spain, All devices

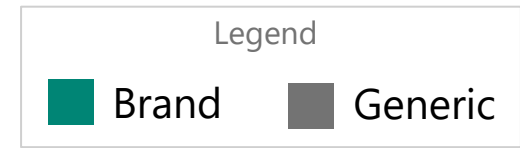
Brand vs. generic terms search and click trends



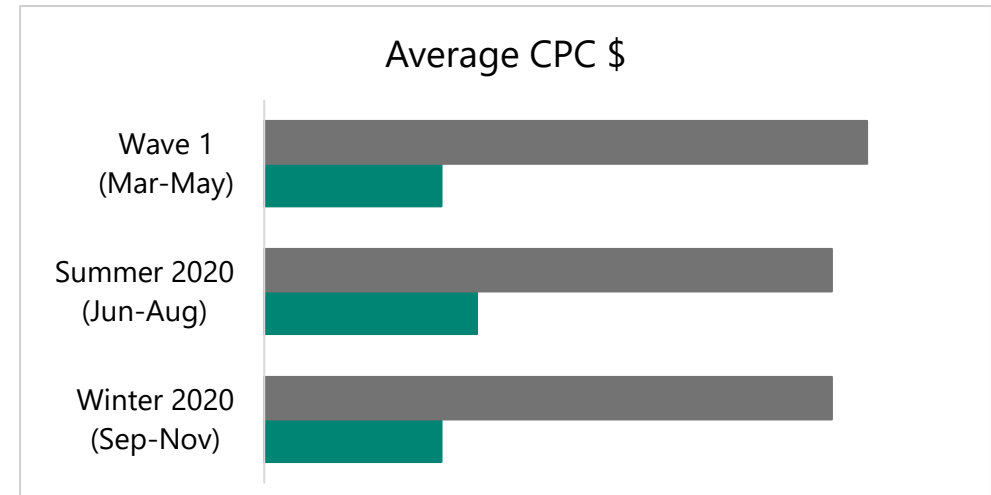
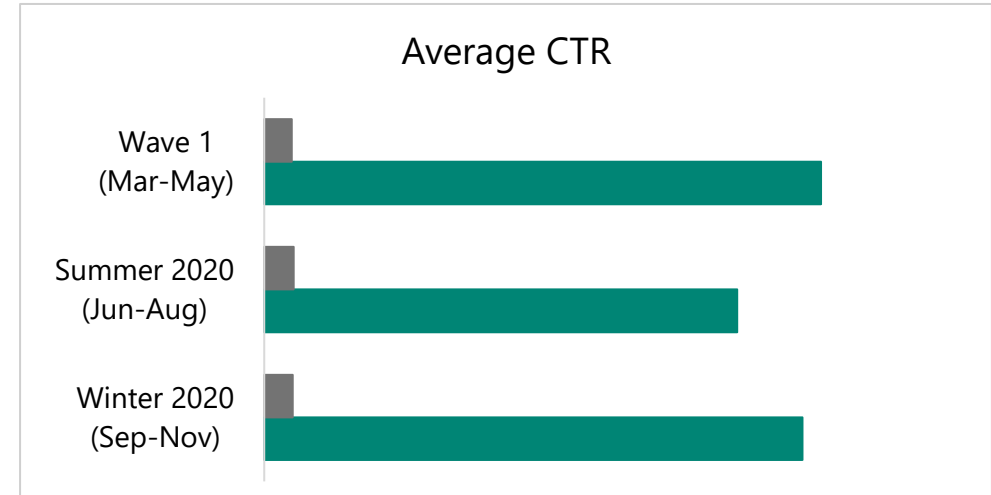
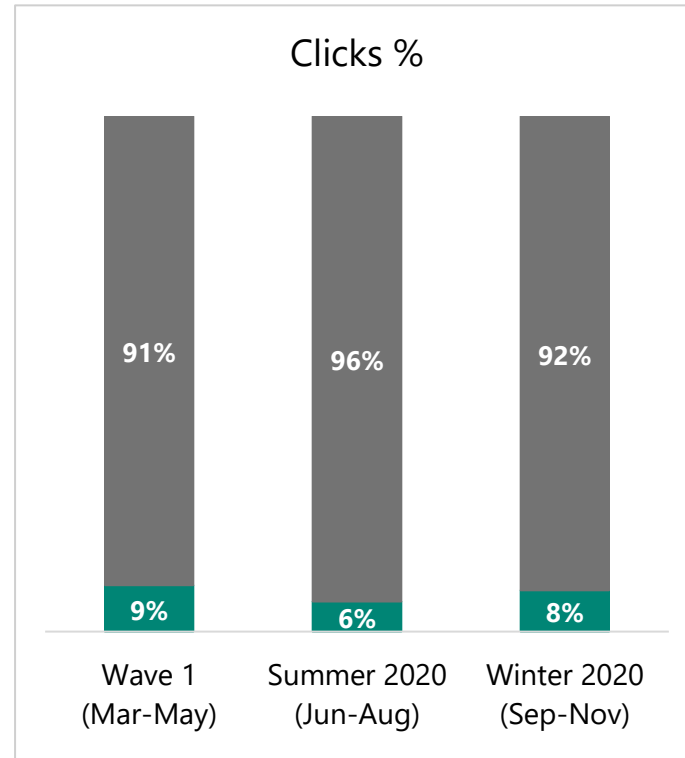
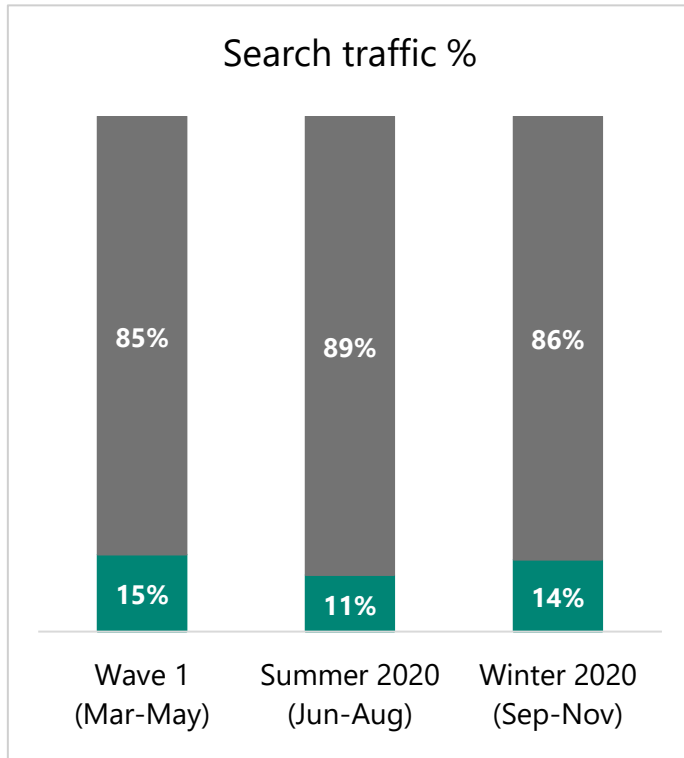
- During Wave 1, we saw a significant increase in generic traffic but in this time frame the majority of clicks went to brand terms, indicating reduced activity from advertisers bidding on generic terms
- Click trends show a constant recovery in both brand and generic terms starting at the end of the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



Brand vs. generic reach and performance

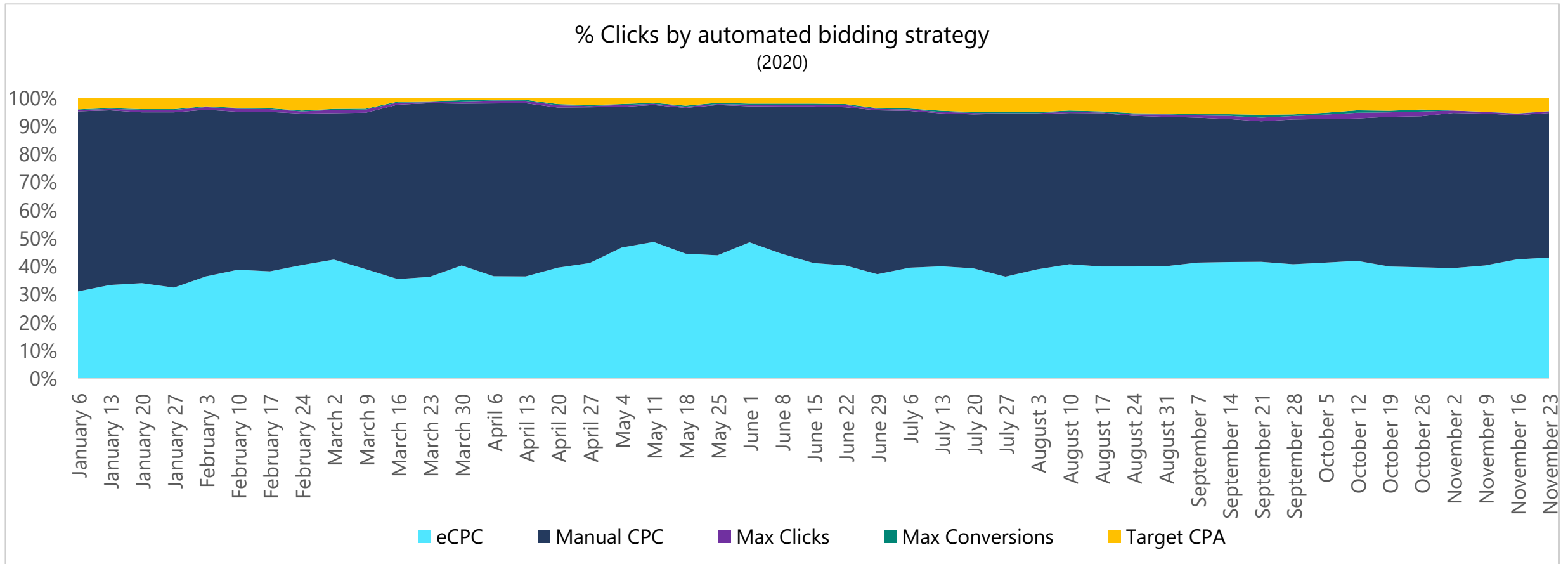


- Generic terms accounted for largest share of total traffic and clicks during all seasons
- The average CPC for generic clicks during Winter 2020 is still very low and just slightly lower than during Wave 1



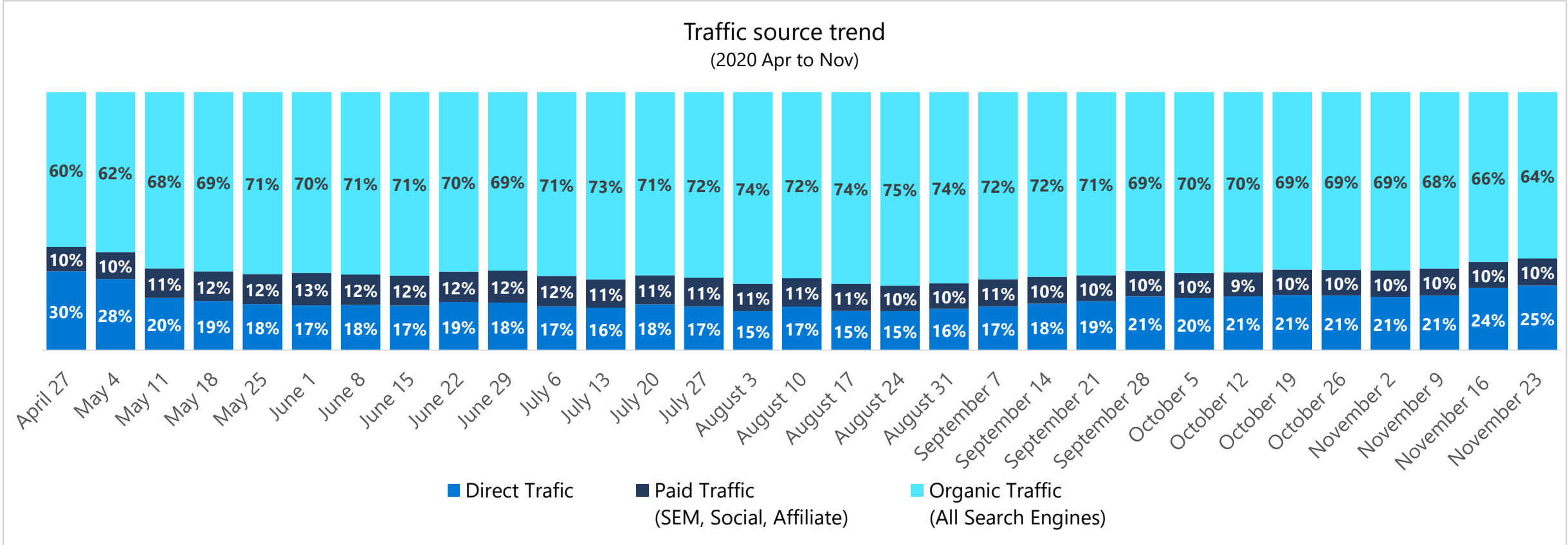
Automated bidding strategy analysis

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



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.



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

