Nearly one million accommodations searches were examined. User cross-shopping search behaviors were assessed and quantified on their paths to conversion.
Total searches analyzed

Queries triggering ads for Hotel, Vacation Rental, and Online Travel Agency (OTA) advertisers; September-November 2020

- Hotel_Brand, 32%
- Hotel_NonBr*, 24%
- OTA_Brand, 17%
- VR_Brand, 16%
- Other, 9%
- VR_NonBr, 3%

Other = Generic accommodations queries (e.g. “lodging,” “places to stay”)
*Hotel_NonBr includes some unclassified hotel queries

Source: Microsoft Advertising internal data; search query path aggregation; Sep-Nov 2020
Agenda

1. Cross-shopping sequencing
2. Audience overlap
3. Recommendations
4. Client success story
Cross-shopping sequencing
Share of total searches

Source: Microsoft Advertising internal data; search query path aggregation; Sep-Nov 2020

*excludes unclassified searches; Other refers to generic Accommodations searches
CROSS-SHOPPING

Share of total searches

*excludes unclassified searches; Other refers to generic Accommodations searches

Source: Microsoft Advertising internal data; search query path aggregation; Sep-Nov 2020
Search sequence probabilities

When a user searches for a Hotel and then a Vacation Rental, here are the probabilities of the next search...

When a user searches for a Vacation Rental and then a Hotel, here are the probabilities of the next search...

Getting a user to change course on the accommodation type in which they are interested will most often end the path outright, or they will at least retain that direction.

Source: Microsoft Advertising internal data; search query path aggregation; Sep-Nov 2020
When a user searches for an online travel agency (OTA) and then a Hotel, here are the probabilities of the next search...

When a user searches for an OTA and then a Vacation Rental, here are the probabilities of the next search...

Hotel searches stick slightly better than Vacation Rentals when a user switches from a preceding OTA query, but both have substantial probabilities.

Source: Microsoft Advertising internal data; search query path aggregation; Sep-Nov 2020
• Convenience is a priority, as we see with "friendly hotels," so highlighting amenities and allowances is important
• Destinations are prevalent in pre-switch queries
• Boutique hotels are searched, a signal from some users they are interested in a slightly different experience

Source: Microsoft Advertising internal data; search query path aggregation; Sep-Nov 2020
Pre-switch indicators

- Unique lodging types are of interest prior to a cross-shop – “cabin,” “cottage”
- Appended destinations are prevalent in Vacation Rental-to-Hotel scenarios as well
- Vacation Rental brand queries are still dominant even one step away from a cross-shop

Source: Microsoft Advertising internal data; search query path aggregation; Sep-Nov 2020
Audience overlap
Users belonging to the /Hotels & Accommodations/Hotels audience are also in-market for...

Source: Bing Ads Internal Data; /Travel/Hotels & Accommodations/Hotels 2.84M user base audience, /Travel/Hotels & Accommodations/Vacation Rentals 3.77M user base audience; Nov 2020
In-market Audience overlap

Users belonging to the /Hotels & Accommodations/Vacation Rentals audience are also in-market for...

/Travel/Hotels & Accommodations/Vacation Rentals

3.6M Users

17.8%

/Hotels & Accommodations/Hotels

45.5%

/Apparel & Accessories/Clothing

Source: Bing Ads Internal Data; /Travel/Hotels & Accommodations/Hotels 2.84M user base audience, /Travel/Hotels & Accommodations/Vacation Rentals 3.77M user base audience; Nov 2020
# In-market Audience overlap

<table>
<thead>
<tr>
<th>Base audience: Hotels</th>
<th>Base audience: Vacation Rentals</th>
</tr>
</thead>
<tbody>
<tr>
<td>/Travel/Hotels &amp; Accommodations/Hotels</td>
<td>/Travel/Hotels &amp; Accommodations/Vacation Rentals</td>
</tr>
</tbody>
</table>

**Top overlap audience:**

<table>
<thead>
<tr>
<th>Category</th>
<th>Hotels Overlap</th>
<th>Vacation Rentals Overlap</th>
</tr>
</thead>
<tbody>
<tr>
<td>Apparel &amp; Accessories/Clothing</td>
<td>51.1%</td>
<td>45.5%</td>
</tr>
<tr>
<td>Apparel &amp; Accessories/Handbags</td>
<td>49.9%</td>
<td>42.3%</td>
</tr>
<tr>
<td>Home &amp; Garden/Kitchen &amp; Dining</td>
<td>46.7%</td>
<td>40.4%</td>
</tr>
<tr>
<td>Hobbies &amp; Leisure/Pets &amp; Animals/Pet Food &amp; Supplies</td>
<td>45.0%</td>
<td>39.8%</td>
</tr>
<tr>
<td>Home &amp; Garden/Home Décor</td>
<td>44.3%</td>
<td>...</td>
</tr>
<tr>
<td>/Travel/Hotels &amp; Accommodations/Vacation Rentals</td>
<td>22.8%</td>
<td>/Travel/Hotels &amp; Accommodations/Hotels</td>
</tr>
</tbody>
</table>

Source: Bing Ads Internal Data; /Travel/Hotels & Accommodations/Hotels 2.84M user base audience, /Travel/Hotels & Accommodations/Vacation Rentals 3.77M user base audience; Nov 2020
## Key findings and recommendations

<table>
<thead>
<tr>
<th>Travelers weigh their options</th>
<th>Common paths</th>
<th>Staying present in the journey</th>
<th>Capturing travelers in-market for Lodging</th>
</tr>
</thead>
</table>
| • Vacation Rentals are being searched in paths primarily made up of Hotels searches, and vice versa  
• Non-Brand and Generic lodging queries and keywords present an opportunity to dictate a user’s path | • The most common sequences are searches for the same line of business start to finish  
• A cross-shopping sequence from Vacation Rentals to Hotels has more instances than the inverse | • Employ Microsoft Audience Network to stay on the travel shopper’s mind  
• Use thoughtful Remarketing strategies and bids to fend off conquesting  
• Focus on non-brand, destination, & convenience which can be cross-shopping signals | • A substantial portion of the Hotel and Vacation Rentals in-market audiences overlap  
• Other Travel and non-Travel In-market Audiences overlap with those specific to accommodations, and are worth targeting |
Alaska Airlines boosts paid search success & ROAS with Audience Targeting

What began 88 years ago as a small, regional airline, Alaska Airlines has evolved into an international carrier with more than 115 destinations and transporting more than 45 million customers annually. Guided by integrity, care, ingenuity, and professionalism, this Seattle-based company retains its hometown feel and has earned a loyal following of people who know there's something special about an airline that treats its customers as guests.

Stimulating demand with paid search

“A lot of people outside Seattle don’t understand that we fly to more places than just Alaska,” says Owen Bickford, Paid Search Program Manager. So, he uses paid search to educate people in different regions who may be searching for flights between Los Angeles and New York, for example, but may not know about Alaska Airlines. When an ad appears, it’s an opportunity to inform prospective customers on where Alaska Airlines flies and the value they offer, stimulating demand.

Not only has paid search been a great way for the airline to capture demand, it’s also helping them to generate demand.

As a result of the campaign, audience-generated ROAS increased by more than 20% year over year. Furthermore, the average booking value of audience list members increased by 15% YoY.

“I love PPC because it's attributable. Almost everything we do; we can prove the value it brings in actual revenue.”

Owen Bickford, Paid Search Program Manager, Alaska Airlines


Microsoft Advertising. Intelligent Connections.
To get actionable data, insights and best practices to help make decisions and grow your business, visit MicrosoftAdvertising.com/Insights