



Microsoft Advertising Insights 2020 US Retail post-holiday recap

Microsoft Advertising. Intelligent connections.



Overview

1 Holiday trends

2 Search query analysis

3 Top categories

Holiday trending

NOTES

- Top 10 customers for each vertical by clicks
- November 14th – January 1st
- Verticals focused on:
 - Apparel (includes Jewelry & Accessories)
 - Beauty & Personal Care
 - Business & Industrial
 - Computers & Consumer Electronics
 - Food & Groceries
 - Hobbies & Leisure
 - Home & Garden
 - Occasions & Gifts (includes Holiday queries)
 - Retailers & General Merchandise (includes Black Friday & Cyber Monday queries)
 - Sports & Fitness

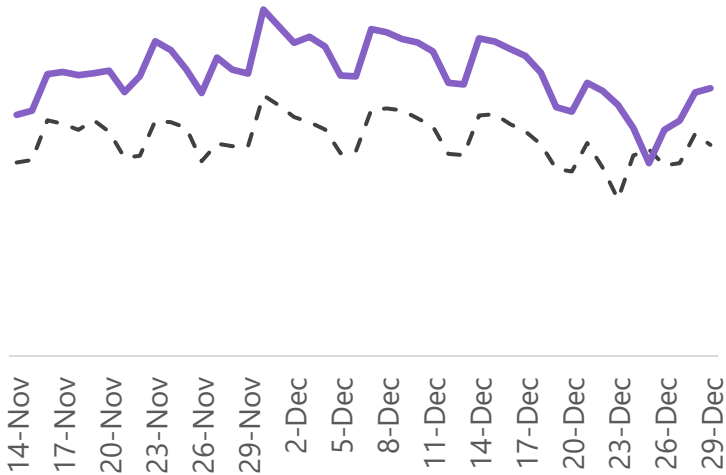
HOLIDAY TRENDING

The 2020 holiday season saw an increase in performance of key metrics

Key performance indicators (KPIs) by day

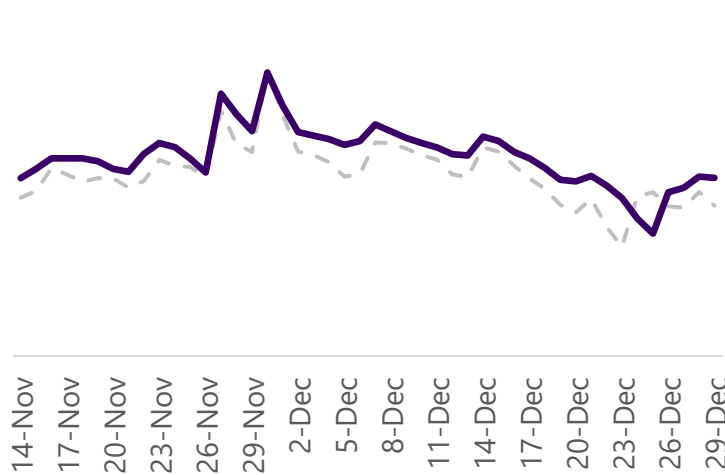
Retail searches by day

--- 2019 — 2020



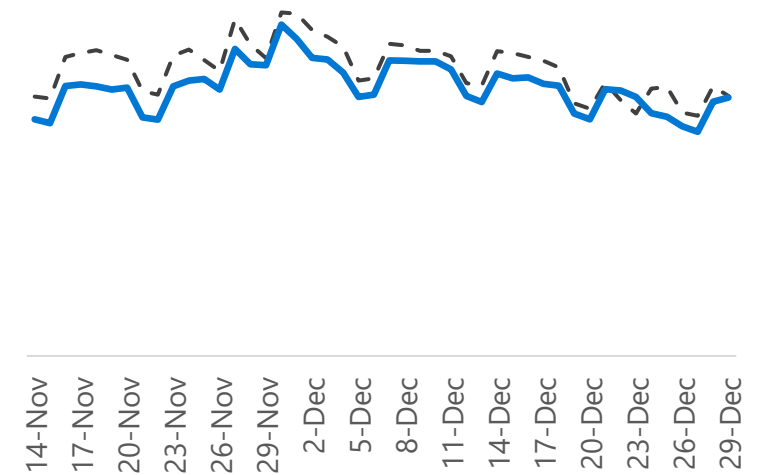
Retail clicks by day

--- 2019 — 2020

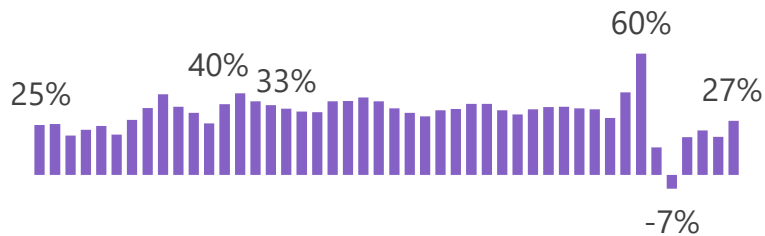


Retail cost per click (CPC) by day

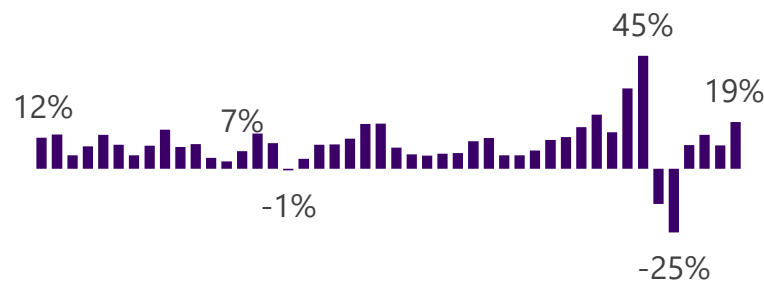
--- 2019 — 2020



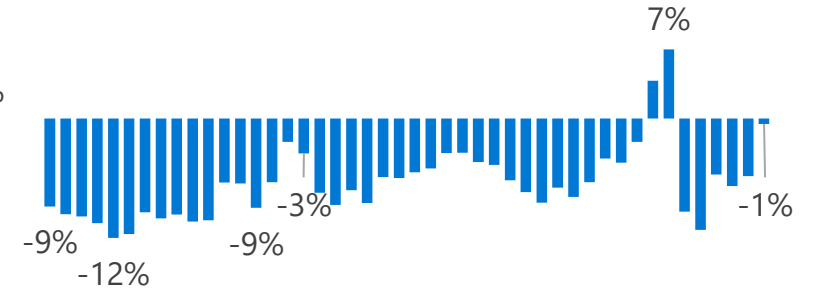
Retail searches year over year (YoY) by day



Retail clicks YoY by day



Retail CPCs YoY by day



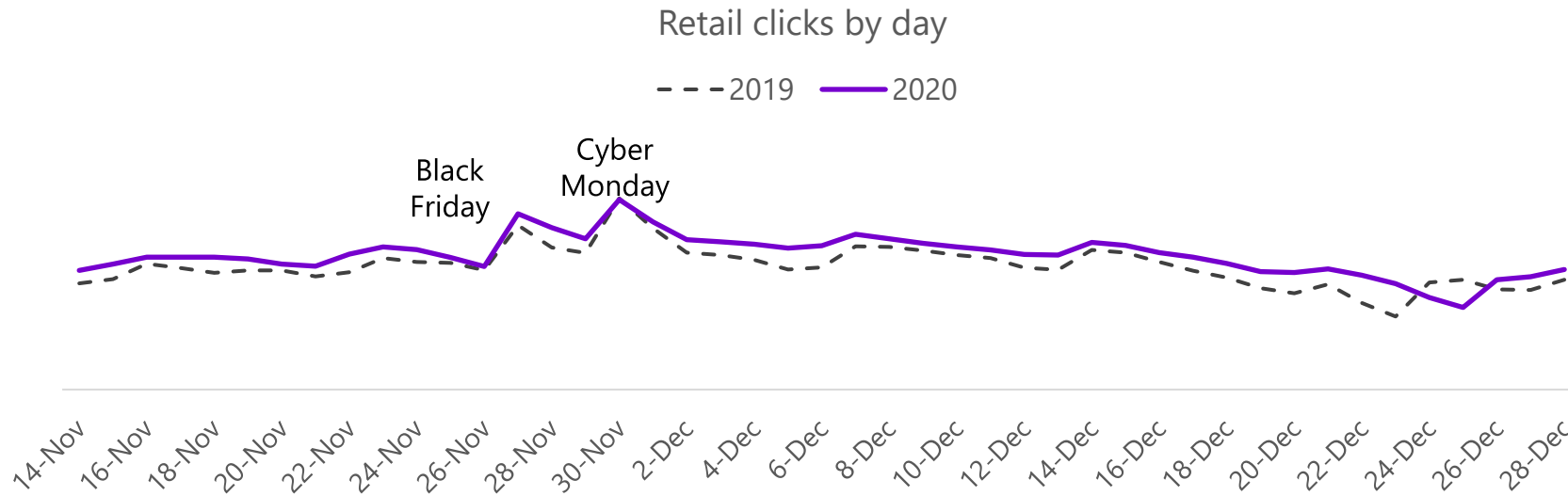
Source: Microsoft Advertising; Bing Internal Data of November 14, 2020 – January 1, 2021



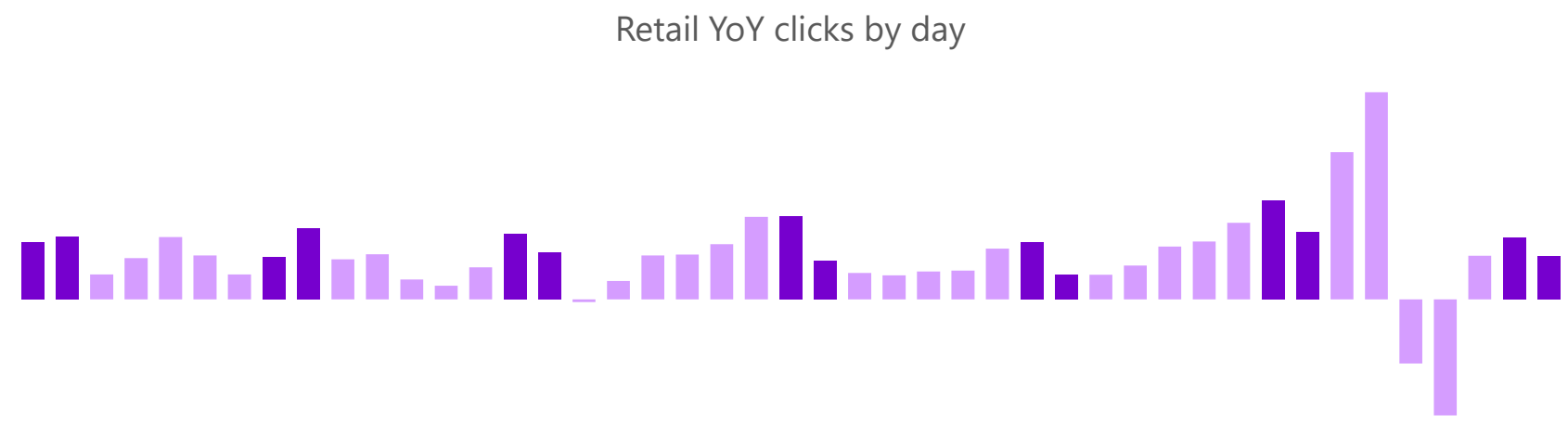
HOLIDAY TRENDING

With people staying home, weekends outperformed weekdays

Clicks by day



Weekday YoY clicks
+4.3%



Weekend YoY clicks
+9.3%

Source: Microsoft Advertising; Bing Internal Data of November 14, 2020 – January 1, 2021



Search query analysis

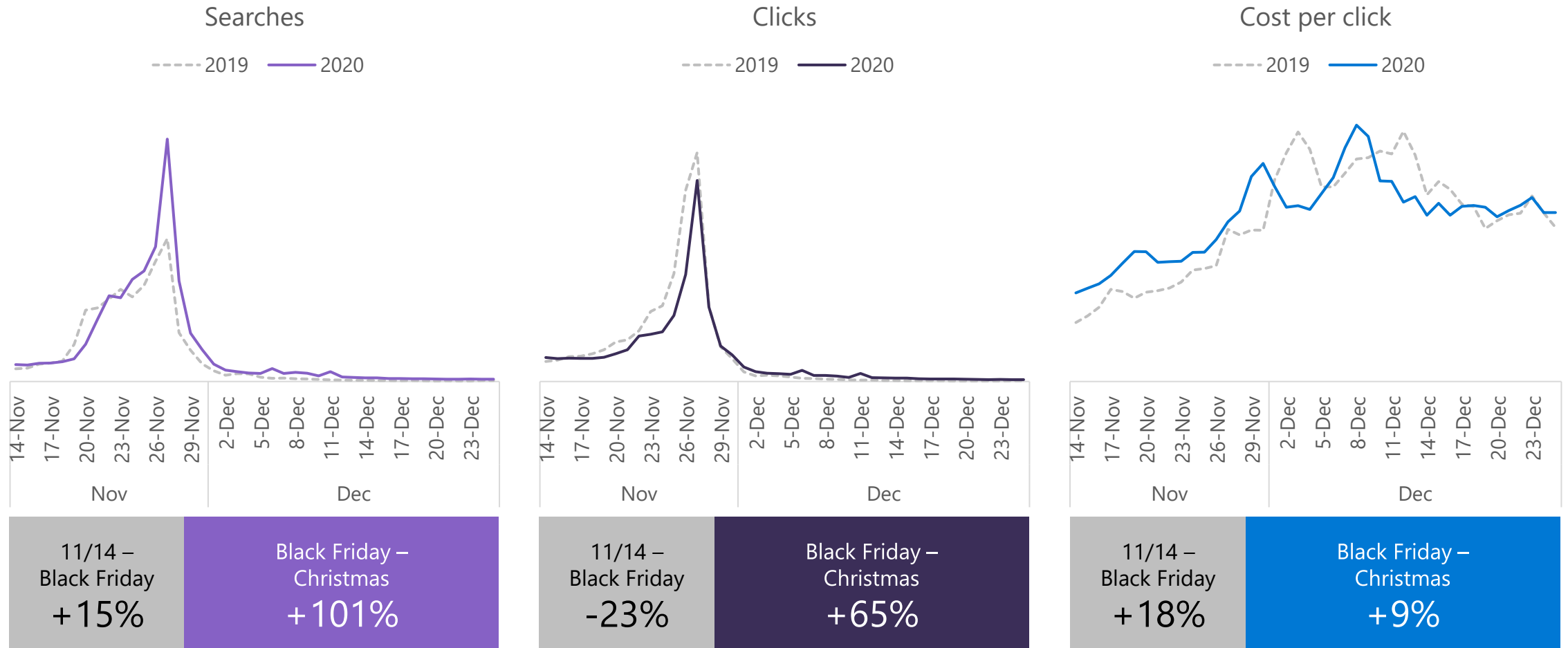
NOTES

Black Friday & Cyber Monday analysis:

- Looked into searches containing “black friday”, “cyber monday”, and “gift”
- Compared Nov 14,th 2020 – Jan 1st, 2021 to last year
- All dates adjusted to align to 2020

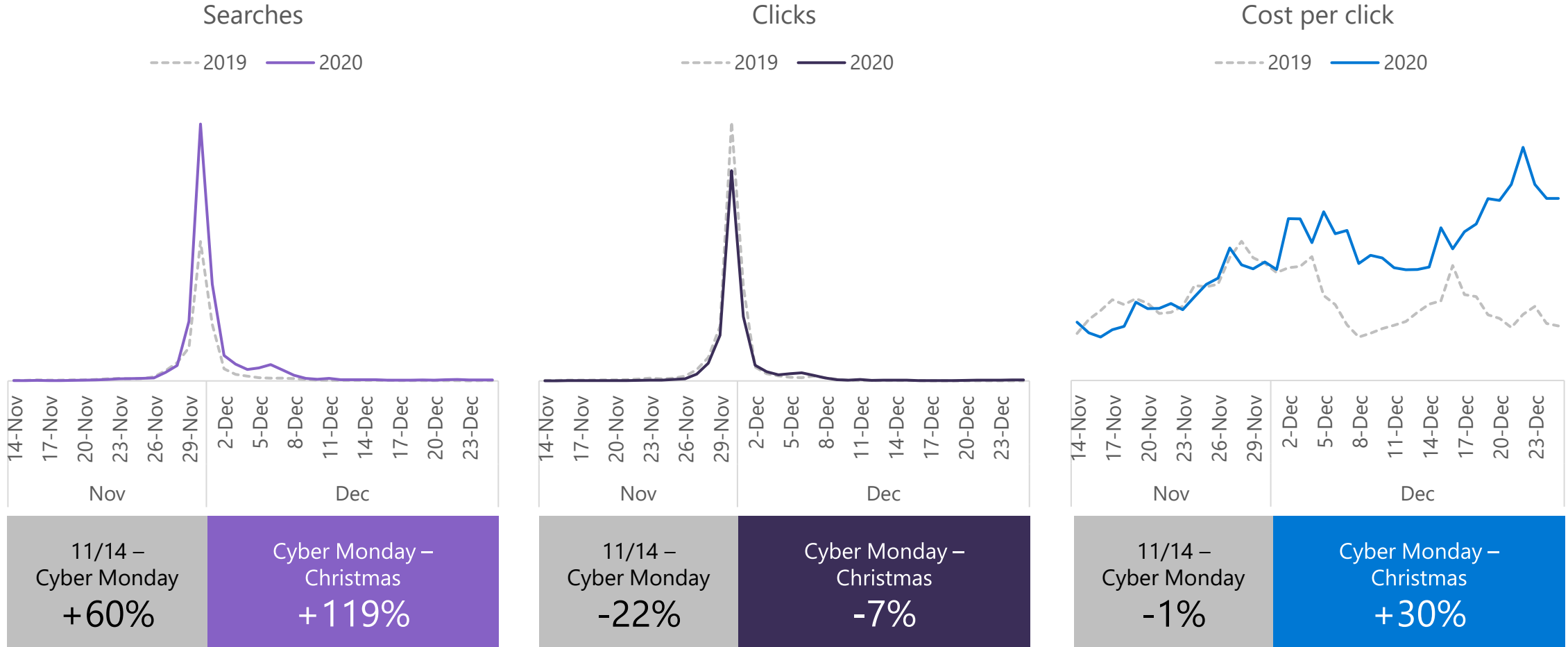
Black Friday did not see the same build up as 2019, but interest lasted longer

Queries that contain “black friday”



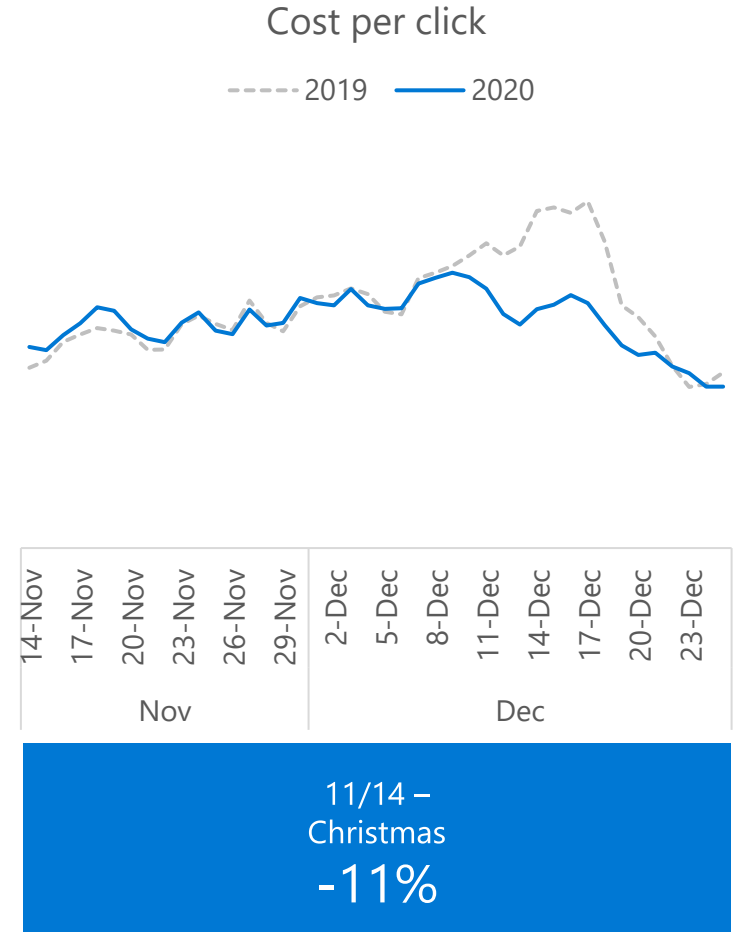
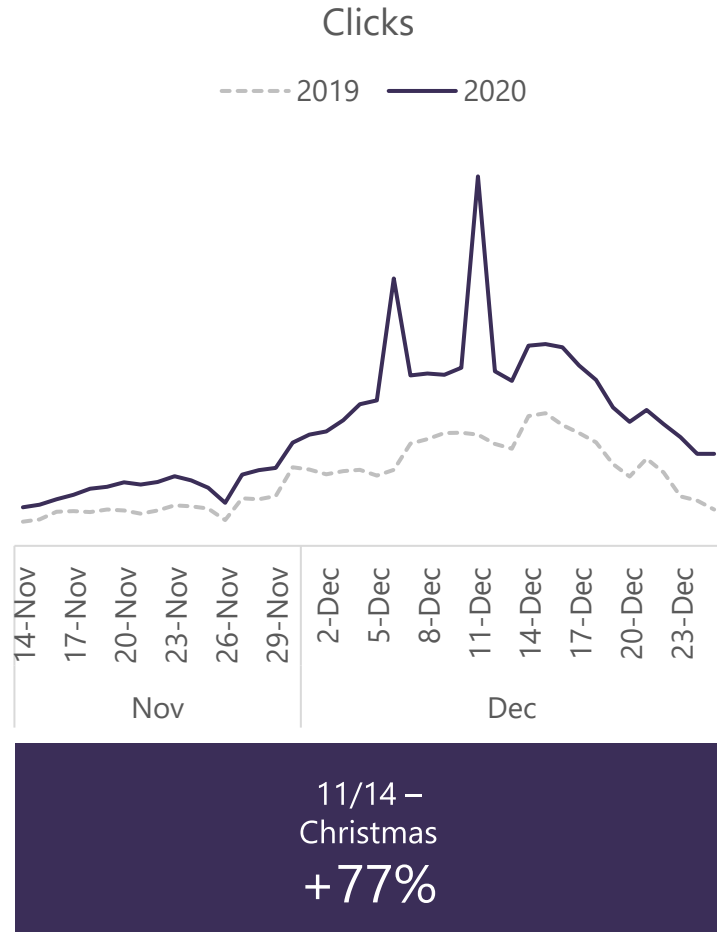
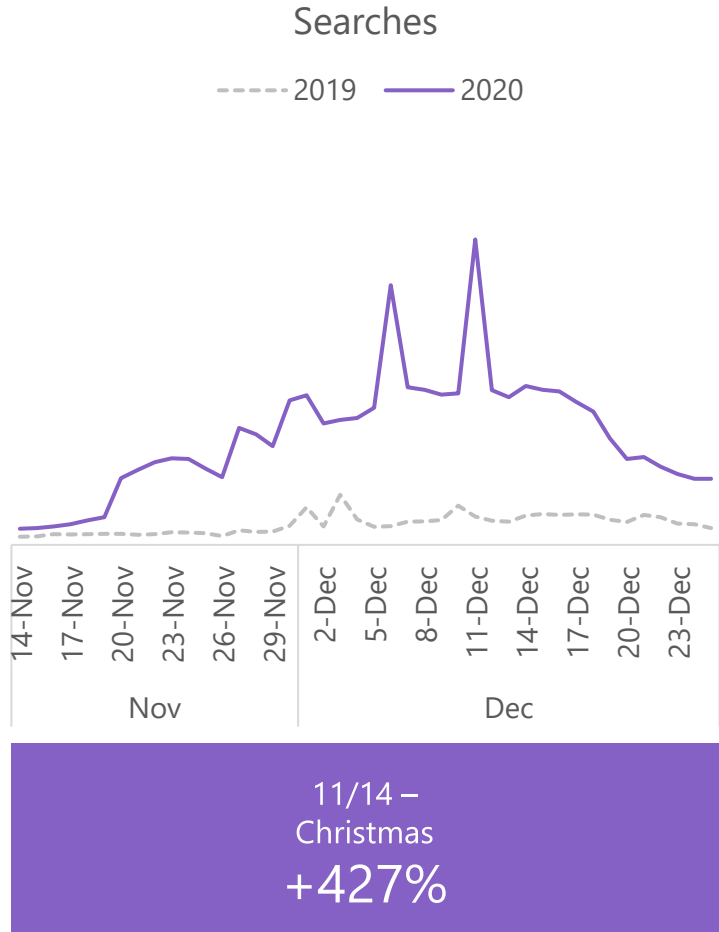
Cyber Monday also saw better performance post-event

Queries that contain “cyber monday”



The Gifts category saw improved performance this holiday season

Queries that contain "gift"



Top categories

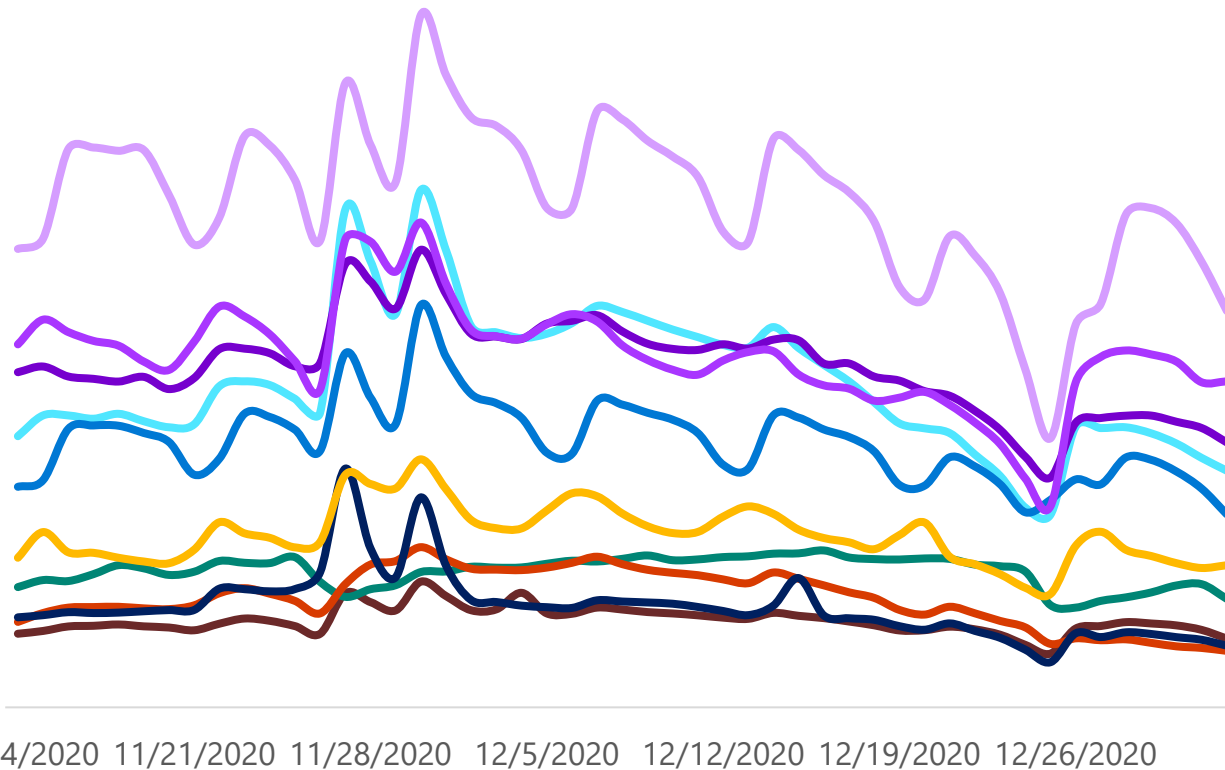
NOTES

- November 14th – January 1st
- Categories focused on:
 - Apparel (includes Jewelry & Accessories)
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 - Business & Industrial
 - Computers & Consumer Electronics
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 - Hobbies & Leisure
 - Home & Garden
 - Occasions & Gifts (includes Holiday queries)
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 - Sports & Fitness

Vertical click trending varies

Major days still stand out

Vertical clicks by day



Apparel, Home & Garden, Hobbies & Leisure, and Retailers & General Merchandise have very similar trends with large Black Friday/Cyber Monday impacts

Beauty & Personal Care, Food & Groceries, and Occasions & Gifts do not see much Black Friday/Cyber Monday impact

Business & Industrial and **Computers & Consumer Electronics** see weekend drops, where **Sports & Fitness** is the opposite

VERTICAL TRENDS

Home & Garden, Food & Groceries, and Hobbies & Leisure increased most YoY click change by week

Vertical	Week start date							Overall	
	14-Nov	21-Nov	28-Nov	5-Dec	12-Dec	19-Dec	26-Dec		
Apparel	2.1%	4.6%	3.2%	6.2%	6.6%	8.9%	10.2%	5.6%	
Beauty & Personal Care	7.5%	12.7%	18.1%	7.1%	5.4%	4.6%	2.6%	8.6%	
Business & Industrial	11.4%	4.2%	15.6%	12.8%	12.6%	15.1%	5.0%	10.9%	High
Computers & Consumer Electronics	15.7%	9.7%	10.9%	10.0%	9.3%	5.1%	10.6%	10.2%	
Food & Groceries	31.1%	28.5%	30.6%	23.8%	21.1%	28.2%	12.9%	25.1%	
Hobbies & Leisure	28.8%	27.8%	33.8%	26.0%	24.3%	16.9%	14.3%	25.0%	Low
Home & Garden	37.0%	39.3%	42.8%	41.0%	42.4%	37.5%	33.1%	39.1%	
Occasions & Gifts	3.5%	12.6%	20.5%	17.6%	16.9%	22.6%	-0.6%	14.2%	
Retailers & General Merchandise	6.8%	5.0%	-10.3%	-2.9%	4.2%	10.0%	15.2%	1.9%	
Sports & Fitness	23.3%	20.4%	21.3%	19.4%	17.7%	22.6%	15.4%	20.0%	



Source: Microsoft Advertising; Bing Internal Data of 2019 –2020

VERTICAL TRENDS

CPCs were down in most categories, but more apparent in Home & Garden and Sports & Fitness

YoY cost per click change by week

Vertical	Week start date							Overall
	14-Nov	21-Nov	28-Nov	5-Dec	12-Dec	19-Dec	26-Dec	
Apparel	-11.1%	-12.3%	-2.2%	-3.1%	-5.6%	-4.7%	-9.1%	-6.5%
Beauty & Personal Care	-9.6%	-11.6%	-9.6%	-3.8%	0.9%	4.0%	-7.1%	-5.5%
Business & Industrial	-8.2%	-4.7%	-5.1%	-4.3%	-6.0%	-4.3%	-8.9%	-5.8%
Computers & Consumer Electronics	1.8%	4.1%	7.2%	6.9%	5.2%	10.3%	3.8%	5.7%
Food & Groceries	-0.4%	3.5%	4.7%	9.9%	7.5%	14.8%	12.4%	7.3%
Hobbies & Leisure	-11.0%	-10.3%	-10.8%	-7.7%	-8.7%	1.8%	-2.3%	-7.4%
Home & Garden	-15.9%	-15.0%	-9.6%	-10.5%	-13.7%	-11.9%	-16.7%	-13.0%
Occasions & Gifts	2.5%	4.4%	-8.8%	-1.1%	-8.5%	7.7%	-7.7%	-2.1%
Retailers & General Merchandise	1.7%	-5.0%	-0.6%	8.0%	1.9%	16.1%	21.0%	1.5%
Sports & Fitness	-21.1%	-17.1%	-11.3%	-12.9%	-13.5%	-10.8%	-7.6%	-13.4%

High

Low

Key takeaways

- The 2020 holiday season saw an increase in searches with more people shopping online
 - Ensure your 2021 search budget is sufficient to reach an increased volume of online shoppers
- Both Cyber Monday and Black Friday saw increased search and click volume after the shopping holidays
 - Keep your campaigns on past Black Friday and Cyber Monday to reach these shoppers
- Categories related to staying at home saw increased performance this holiday season
 - Increase your search term coverage using customized ad experiences with [Dynamic Search Ads](#)



"We look at paid search as the vehicle that's going to capture that in-market consumer when they start researching a product or when they're ready to buy."

- Hilary Giesler, global digital marketing manager, Bose



[VIEW THE CUSTOMER STORY](#)

Click thru rate increase

+69%



In-market Audiences alone led to a CTR that was a 28% higher rate than non-audience visitors and converted at a 21% higher rate.

+28%



Bose turns up the volume on holiday sales

Whether you're rocking out to a favorite song, getting lost in a movie or hearing a loved one's voice, audio technology innovator and retailer [Bose](#) wants to give you the best listening experience possible. Bose is one of the leading audio companies, with products ranging from wireless sport earbuds, portable speakers, smart speakers, noise-canceling headphones and other audio equipment.

All in for e-commerce

With competition heating up for holiday shopping, Bose knew it needed to increase its online presence and reach a new, untapped audience of audiophiles. As more people turn to online shopping, investing in search engine marketing (SEM) has become more important than ever. "We look at paid search as the vehicle that's going to capture that in-market consumer when they start researching a product or when they're ready to buy," says Hilary Giesler, global digital marketing manager for Bose.

Holiday campaign success with Microsoft Advertising

Bose achieved a 69% increase in click-through rates (CTRs) when looking at the Black Friday to Cyber Monday period year over year. In-market Audiences alone led to a CTR that was a 28% higher rate than non-audience visitors and converted at a 21% higher rate. A whopping 47% of all traffic visits came from using audience targeting features in concert, specifically Remarketing, Similar Audiences and In-market Audiences. This powerful family of features help businesses see stronger ad engagement and returns by focusing marketing on the customers most likely to convert. "From a revenue and sales perspective, we've always received positive return on investment [ROI] from Microsoft Advertising," says paid search director James Ko at Bose agency, MediaCom.

Source: Bose Internal Data, 2020.

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



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