



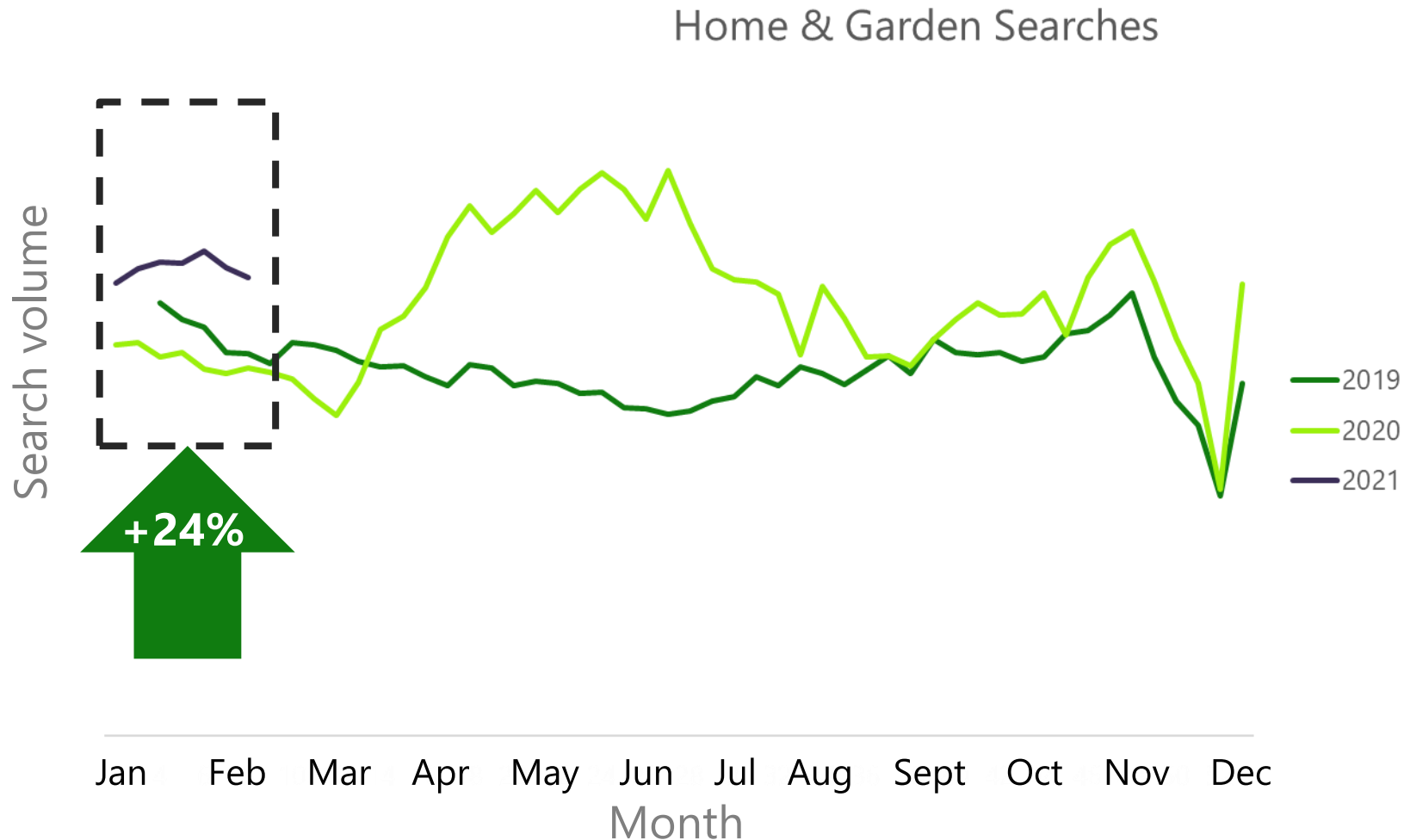
## Microsoft Advertising Insights

# COVID-19's impact on the Home & Garden industry

Microsoft Advertising. Intelligent connections.



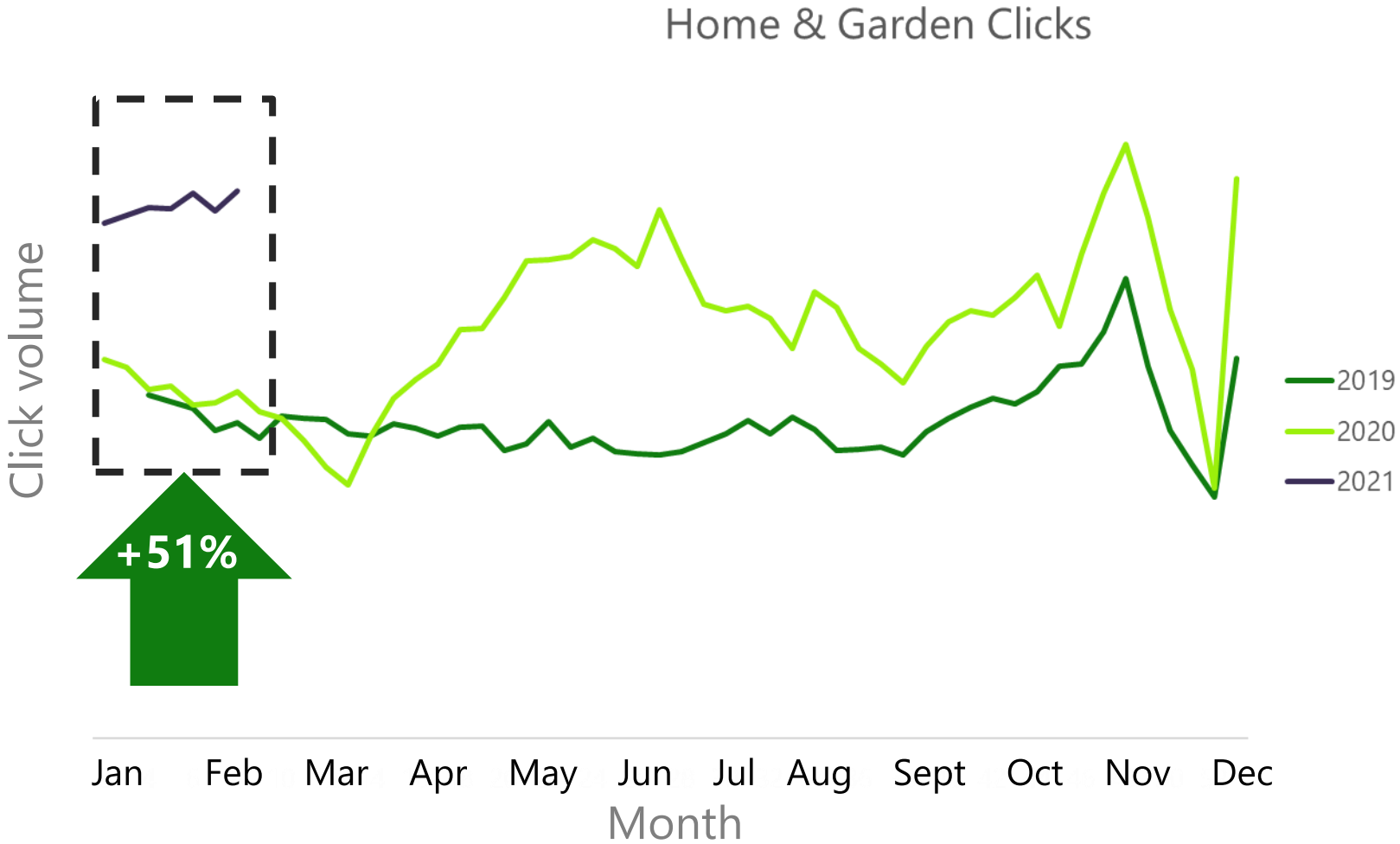
# Home and Garden searches are **continuing to grow**



After the first lockdown in 2020, searches surged as people were forced to spend time at their homes

Home and Garden searches in 2021 are already in double digit growth compared to where they were in 2020

# Consumer engagement is at an all time high



Along with searching, people are engaging more with online content posted - we are seeing this reflected through the growth in clicks

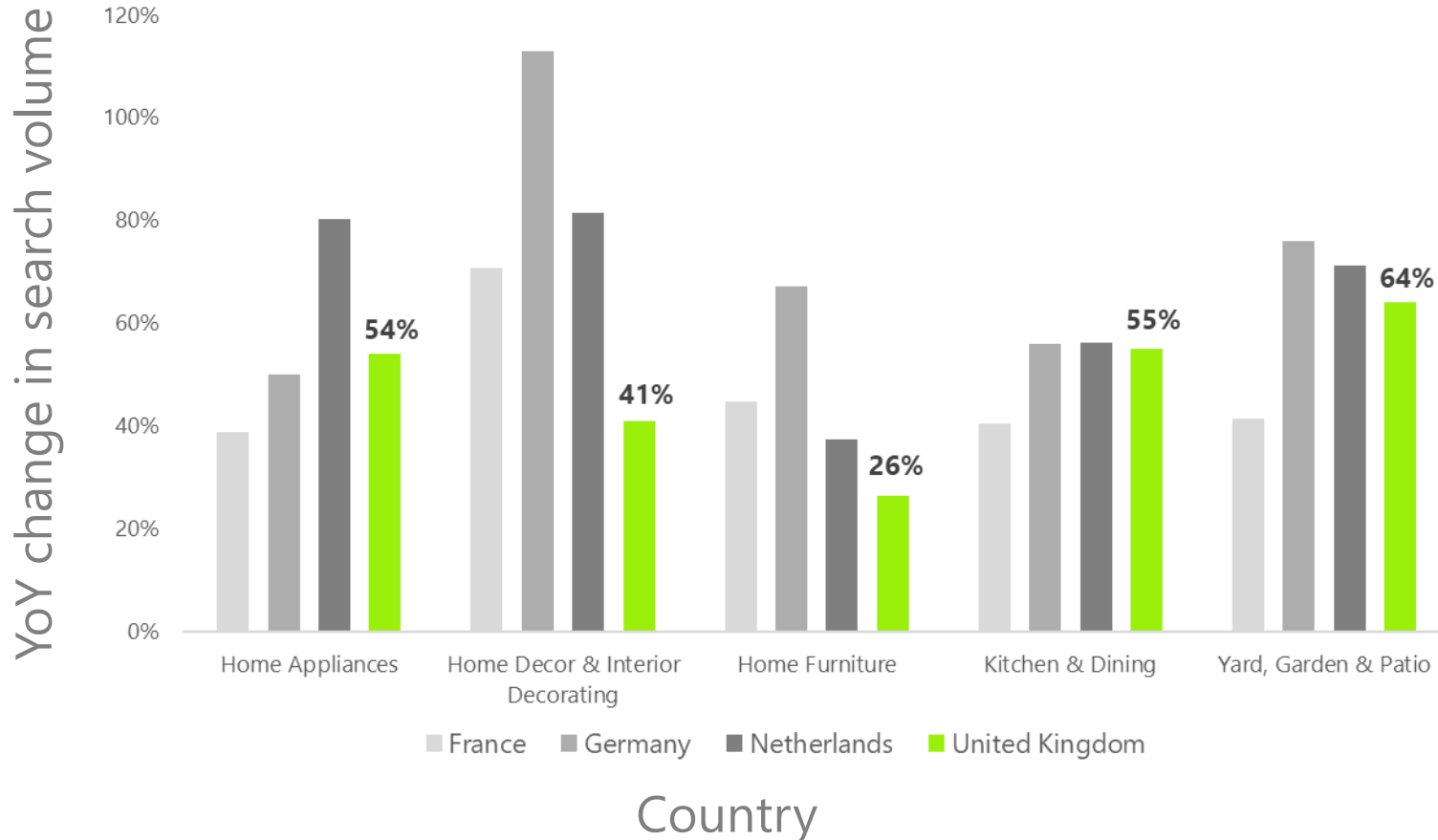
Year over year (YoY) clicks have grown 51% in 2021

Source: Microsoft Advertising internal data; Search volume 2019 – 2021



# Home and Garden surging is happening across Europe

2020 vs 2019 Yearly search volume change

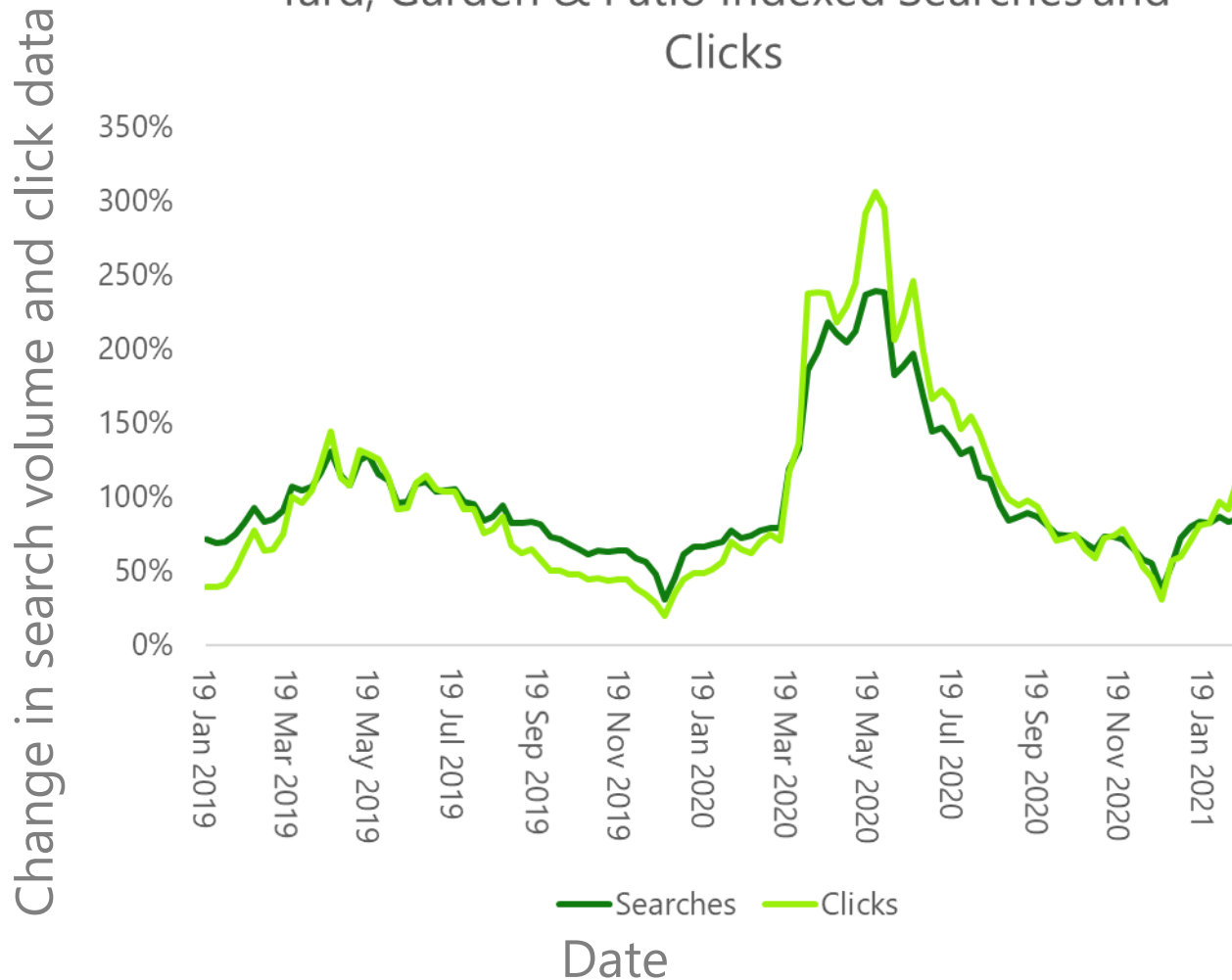


The top five categories for Home & Garden are pictured with **Home Décor and Interior Decorating** leading all sub-categories year over year (YoY)

**Double digit growth** accrued across the United Kingdom (UK) and all European markets

# Yard, garden and patio clicks are trending upward in 2021

Yard, Garden & Patio Indexed Searches and Clicks



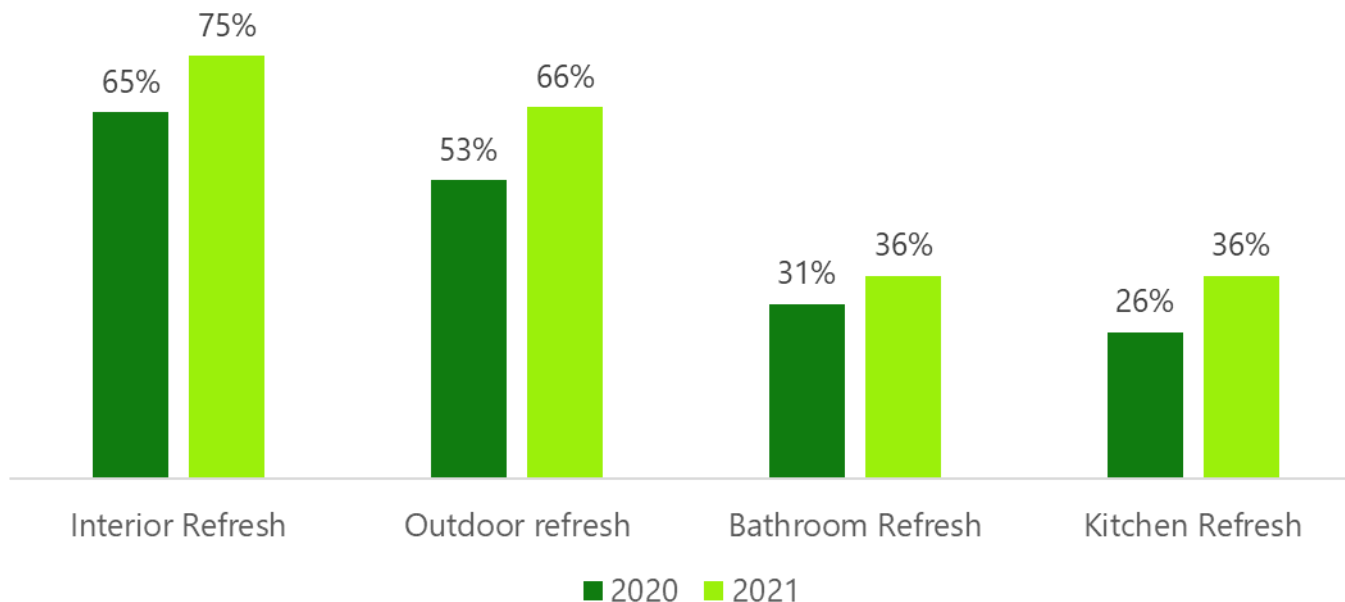
In **2019**, we saw normal seasonality, an increase in spring and declining volumes as summer ended

In **2020**, searches and clicks exploded during the first lockdown – and over-indexed heavily until August

**2021** click volume seasonality is outpacing search volume, highlighting a high consumer demand and an opportunity for advertisers to take action

# People are **planning home projects** more than ever

% Microsoft Bing Searchers Planning Home & Garden Projects in 2021

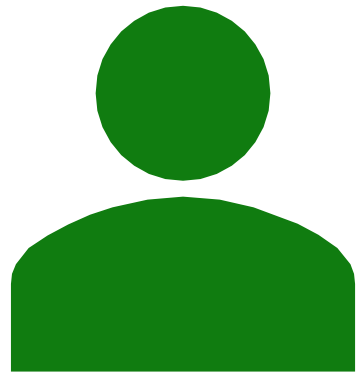


**Interior refreshes** are the most planned projects for 2021

**94%** of consumers who are planning a home and garden project this year **also conducted a home and garden project last year**

**67% of consumers** have either just started to plan or have made no purchases yet according to a survey released in February 2021

# Home & Garden demographic changes YoY

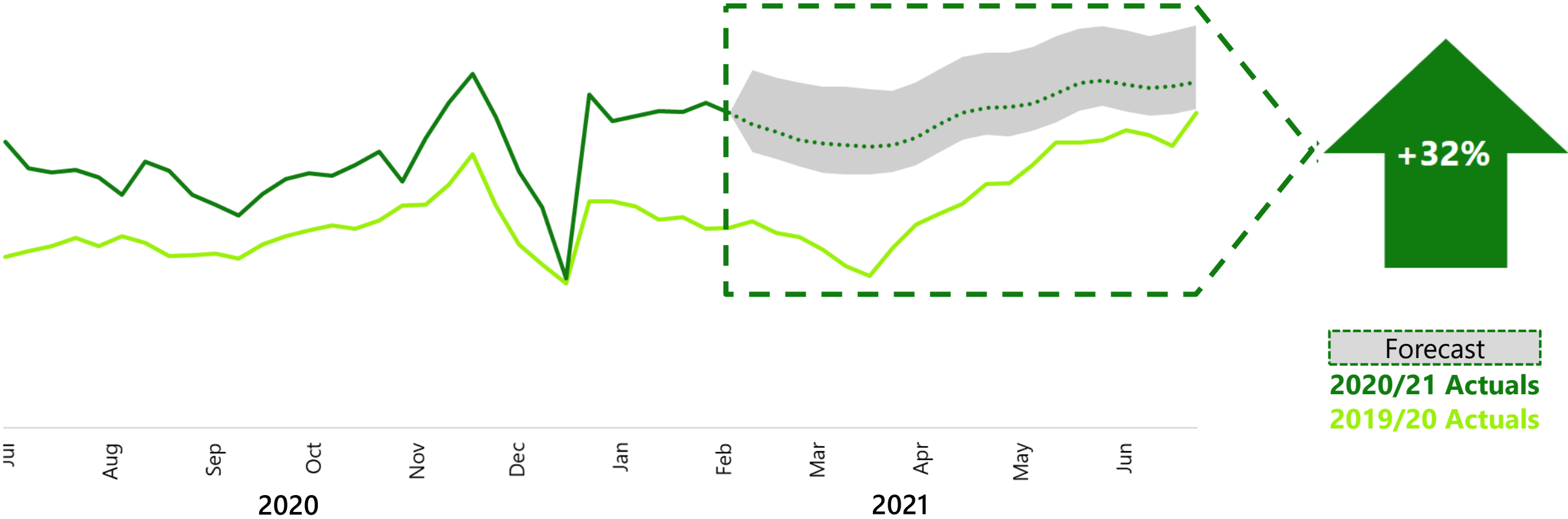


Between 2019 and 2020, we saw double digit growth in the **65+ demographic** for both clicks and searches

This trend is following suit for 2021 with the 65+ demographic holding **34% of the overall Home & Garden clicks**

# Home & Garden **click forecasts** predict strong growth

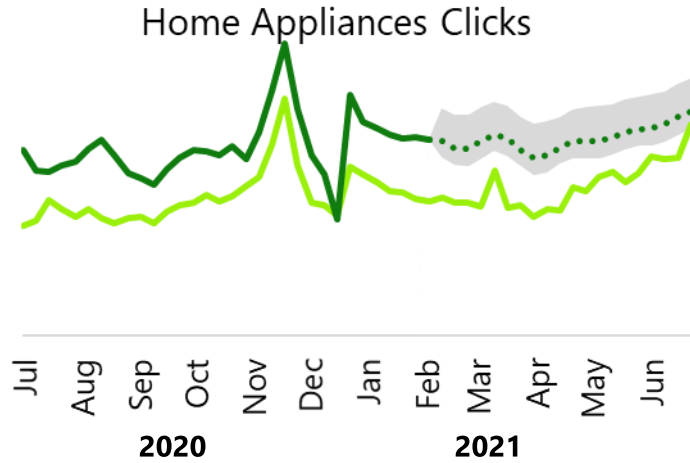
Home & Garden Clicks



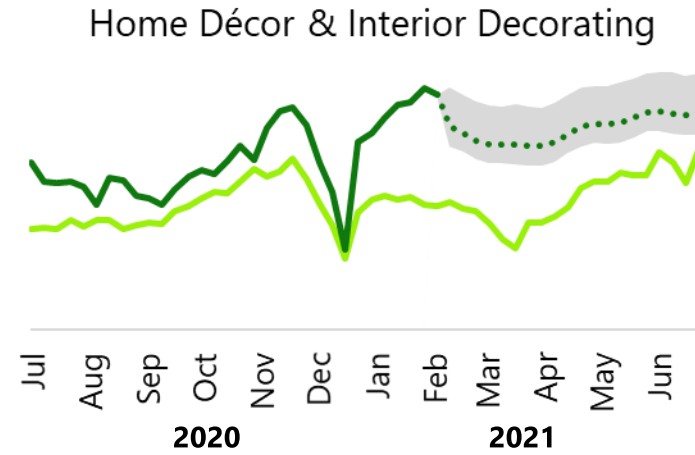
Source: Microsoft Advertising Internal Data, Jan 2019-Feb 2021 Home & Garden clicks for UK using PROPHET forecasting model



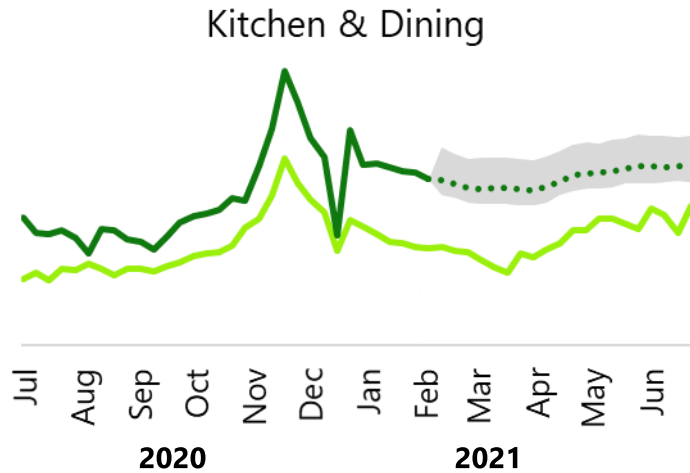
# High growth is also forecasted across top sub verticals



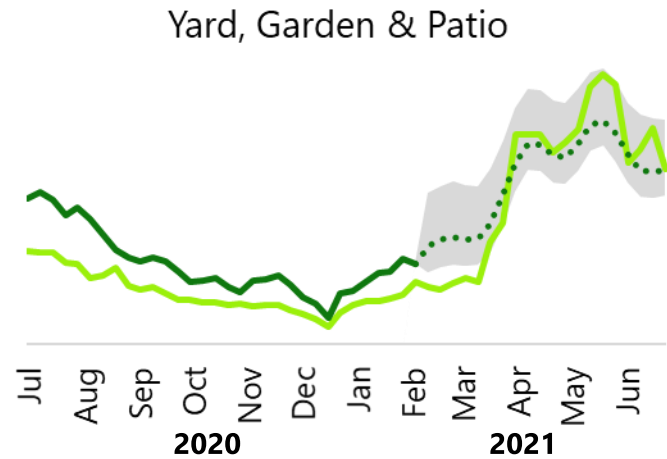
+28%



+43%



+46%

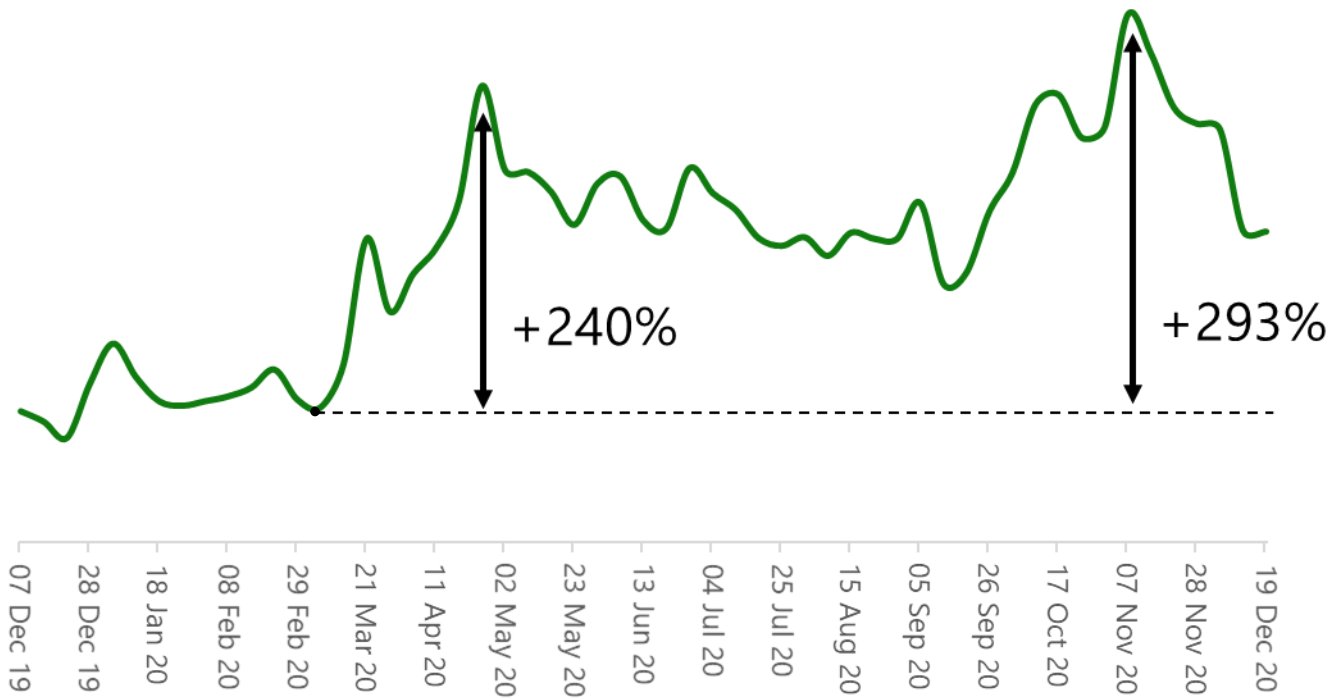


+8%

Forecast  
2020/21 Actuals  
2019/20 Actuals

# Engagement grew on the **Microsoft Audience Network**

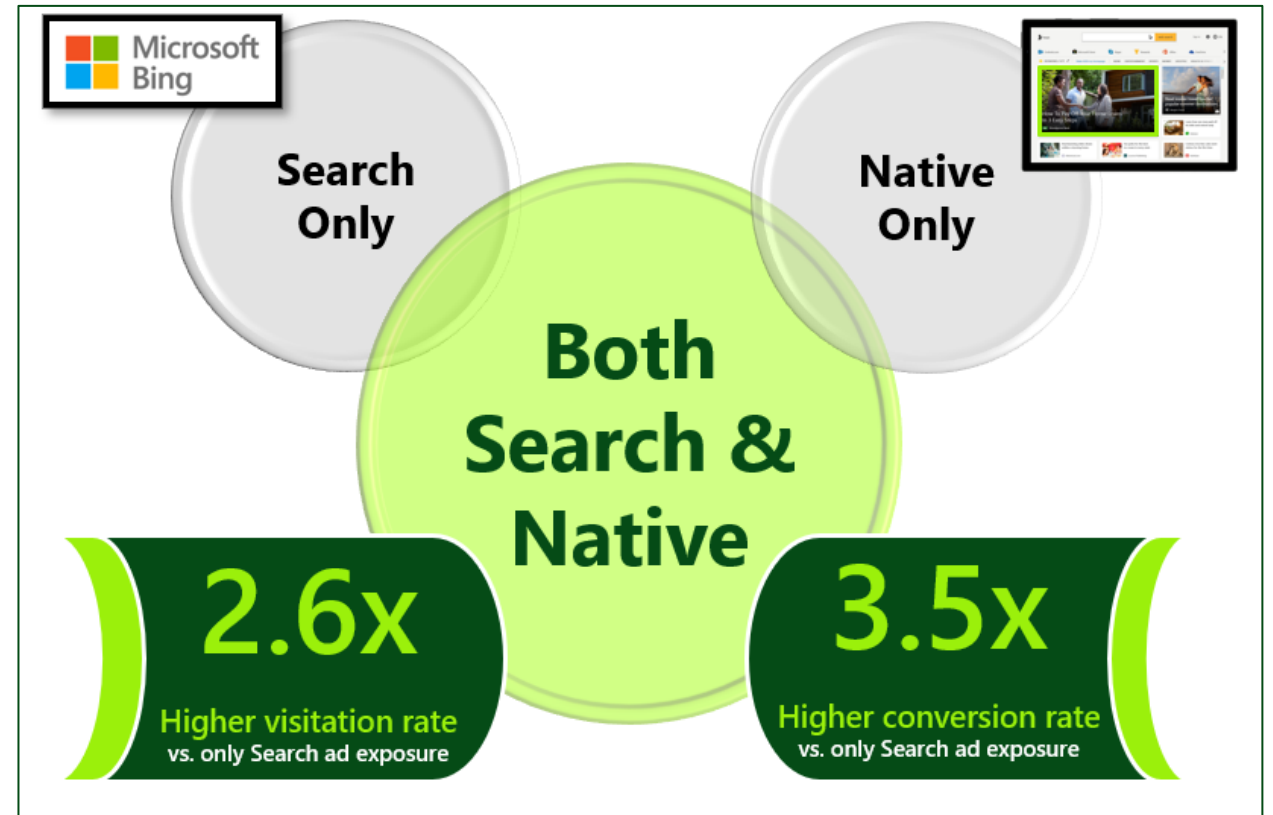
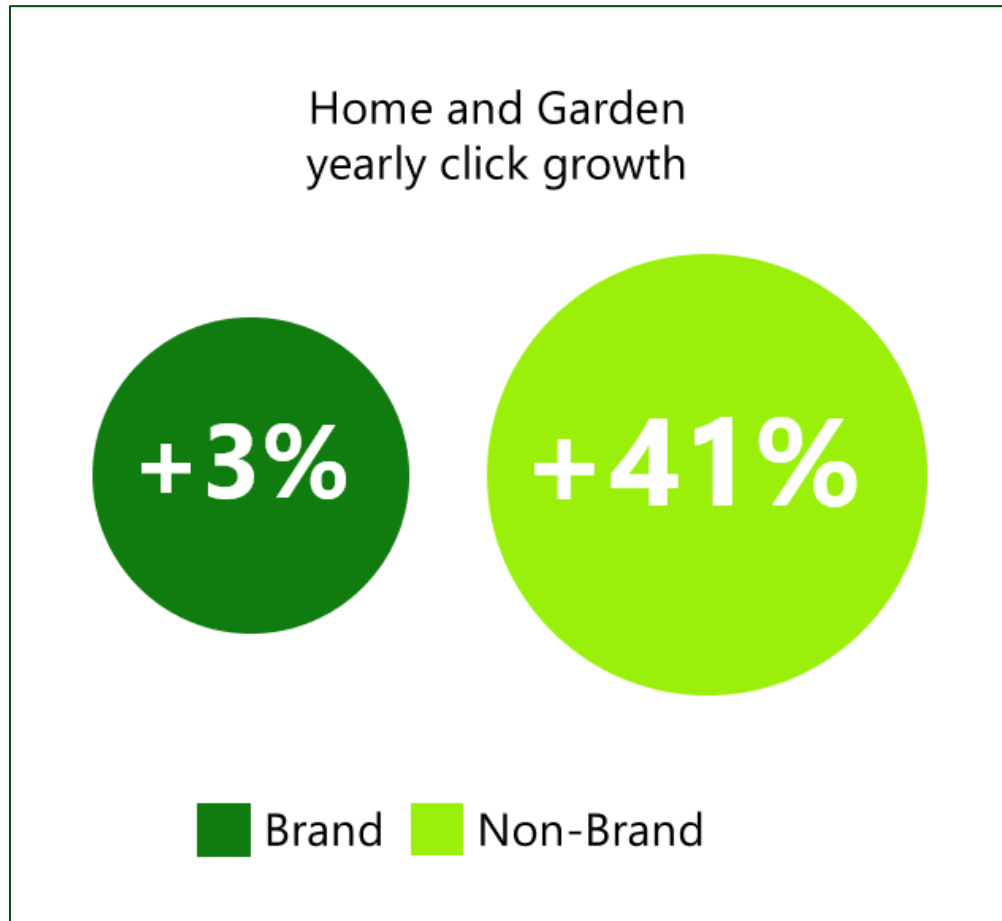
Home & Garden Audience Network Clicks



Post lockdown we also saw a large increase of **Microsoft Audience Network ad** exposure and engagement

Microsoft Audience Network gives users a way to **efficiently extend reach, create awareness and attract new customers**

# Generic keywords are performing best and can be paired with native advertising for better performance



Source: Microsoft Advertising Internal Data, Home & Garden clicks for UK, Nov2019-Jan2020 vs Nov2020-Jan2021

Notes: Results may vary for each advertiser based on campaign settings, targeted audiences, and other factors. Lift metrics represent an average of all advertisers with completed lift studies to date (Feb. 2021). These advertisers may be a non-representative sample of all advertisers on the marketplace. Lift measured between exposed users and a control group of eligible unexposed users, with lift represented on a per-user basis. Average user count per advertiser study = 2.5M

# 3 key components to grow your Home & Garden campaigns



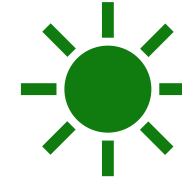
## Microsoft Shopping Campaigns

- **Product Ads** account for **24% of clicks** in Home and Garden<sup>1</sup>
- **Cost per clicks (CPCs)** are **24% lower** than Search Ads CPCs<sup>1</sup>



## Dynamic Search Ads

- **Dynamic Search Ads** total **37% of the click volume** from broad matching and produce **29% lower CPCs**<sup>2</sup>



## Audiences

- **Remarketing** has **45% lower cost per action (CPA)** vs. regular activity<sup>3</sup>
- **In-market** audiences powered help you better reach your target audience

1. Microsoft Internal, November 2020 – January 2021, UK Home and Garden advertisers, Owned and Operated network

2. Microsoft Internal, November 2020 - January 2021, Top UK Retail advertisers having DSA and Broad Match implemented, Owned and Operated network

3. Microsoft Internal, UK Home and Garden advertisers with remarketing, October - December 2020

# Summary and recommendations



## Plan

Home & Garden searches and clicks are up 24% and 51% with further expected growth

***Pro tip: make sure to secure budget and plan time investment to realise this growth***

High growth is forecasted across Home and Garden channels, with interior refreshes leading projects for 2021

***Pro tip: 67% of consumers have not begun or just started planning, take advantage now***

We're seeing best performance for advertisers who use targeted capabilities to reach consumers

***Pro tip: 37% of click volume came from Dynamic Search Ads***

## Adapt

With a 39% increase in clicks from the 65+ demographic, make sure your messaging and audiences are set correctly for your audience

With people spending more time online browsing non-brand content is more important than ever, make sure you invest in your **non-brand** content

To get actionable data, insights and best practices to help make decisions and grow your business, visit [MicrosoftAdvertising.com/Insights](https://MicrosoftAdvertising.com/Insights)



Microsoft Advertising. Intelligent connections.