Microsoft

Microsoft Advertising Insights
Analyzing brand engagement across the Microsoft Audience Network
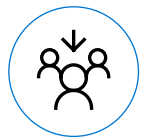
Microsoft Advertising. Intelligent connections.

2021

Market with a purpose to build trust with your customers
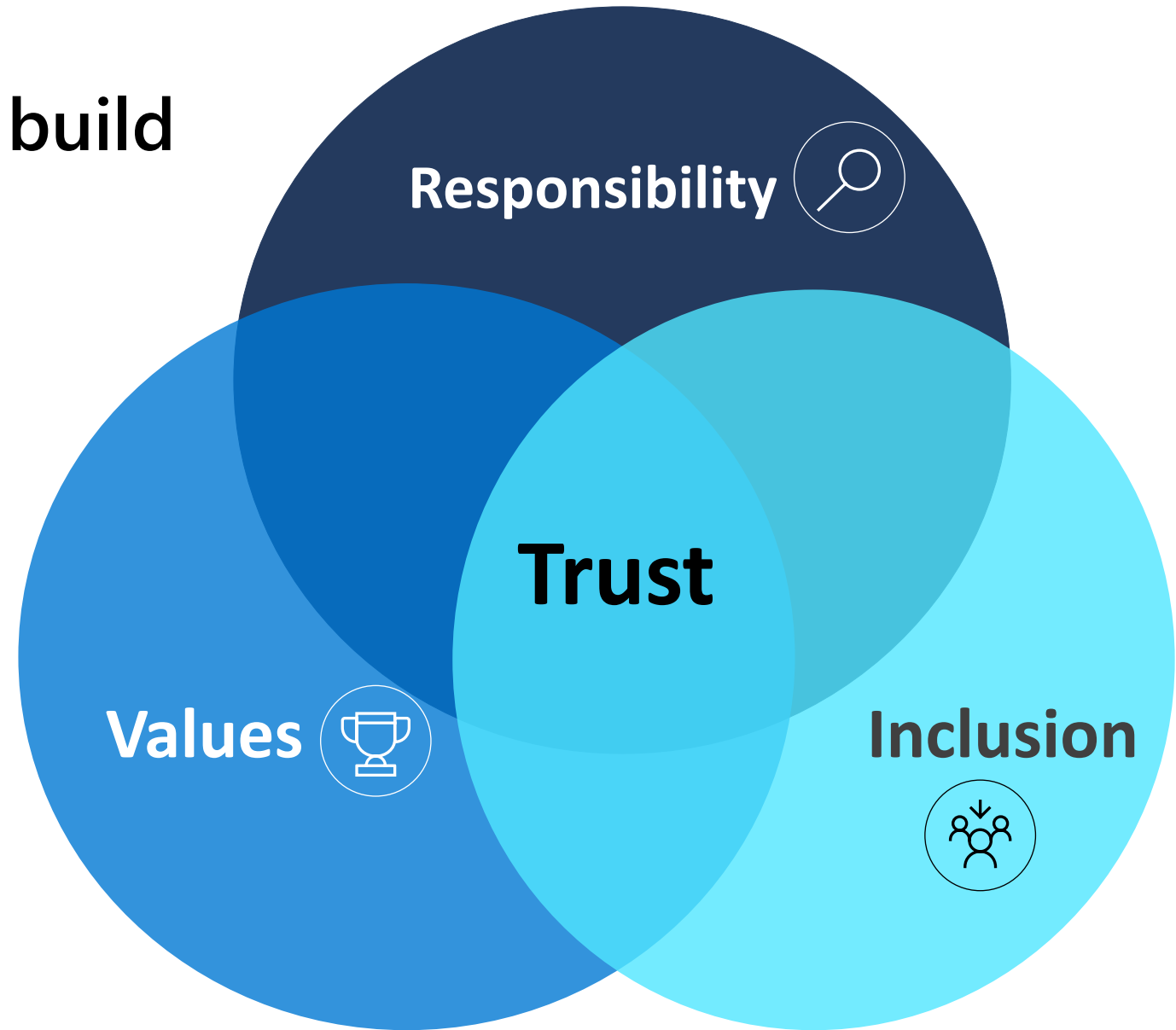
🔍 Focus on your responsibility to employees and consumers

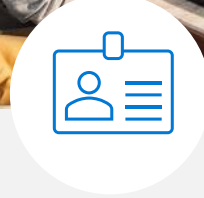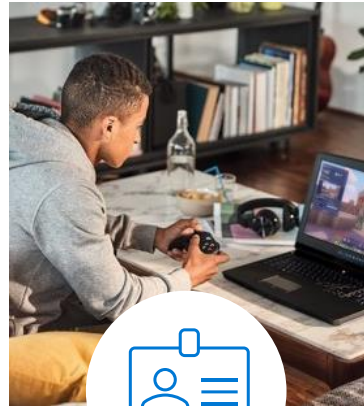🏆 Values should be more about the consumers you serve and less about the products you offer

👥 Inclusion creates authentic connections

Responsibility 🔍

Trust

Values 🏆

Inclusion 👥

Microsoft

Brands will need a new data strategy to meet their goals

A greater emphasis on first-party data

Importance of logged-in activity

A new reliance on context and behavior

Publishers and brands working more closely

New ways to track the decision journey

Microsoft

It's a new age for privacy

87% of people in the U.S. believe that **privacy is a right**, not a privilege[1]

Brands and publishers invested U.S.$19.7B in audience data and activation in the U.S. alone[2]

Regulations and consumer demand will change how brands collect and use data to engage with audiences

1. "Uncovering the trust drivers," Microsoft Advertising and LRW Research, 2019 (U.S.). 2. "The state of data," IAB, July 2020.

Microsoft

Microsoft's Audience Intelligence (AI) uses first-party data to identify consumer intent and drive performance

AI powered by billions of first-party data signals to identify the right permissioned audience

498M
monthly unique visitors[2]

11B
global monthly searches[2]

675M
global professionals[3]

200M
monthly unique visitors[2]

Microsoft confidential

Microsoft

Start testing Microsoft's first-party data
Using permissioned audience data at scale

Leverage the Microsoft Audience Network

Premium native placements
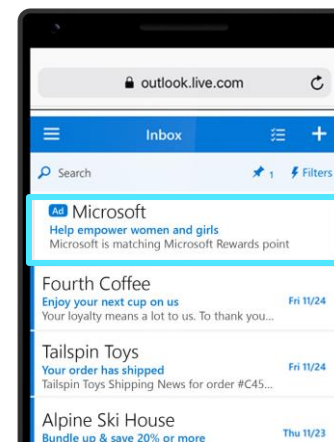Strict publisher standards and AI-powered curation

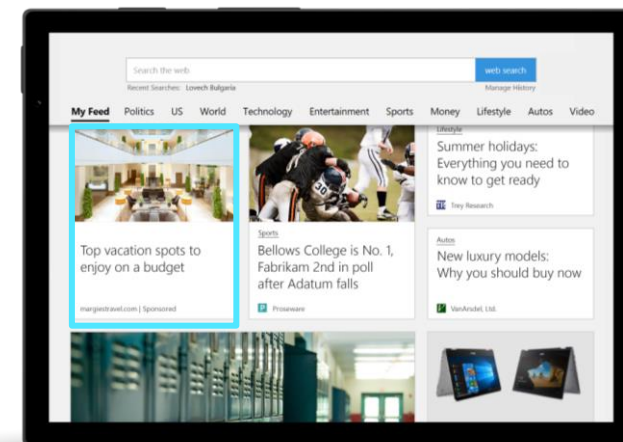**Brand-safe experiences**
Transparency and controls for advertisers

Highly contextual ad placements
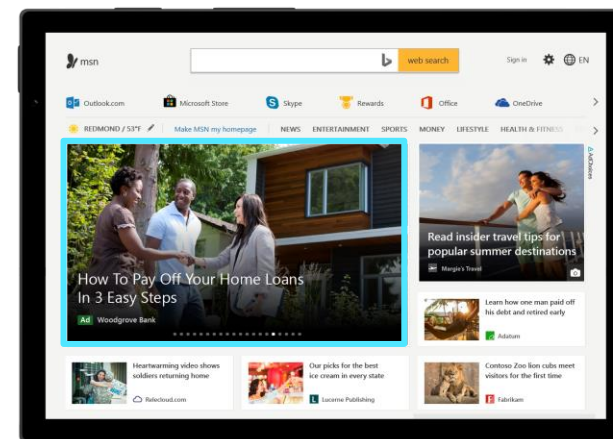Based on Microsoft first-party data

Strong industry ad performance
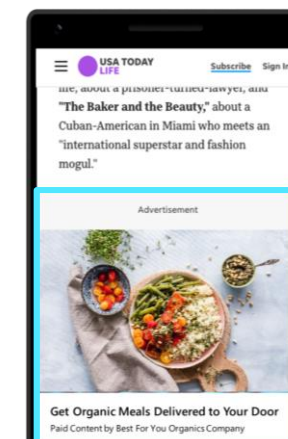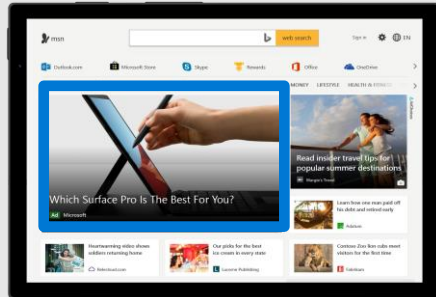Driven by leading-edge AI technology

Outlook.com

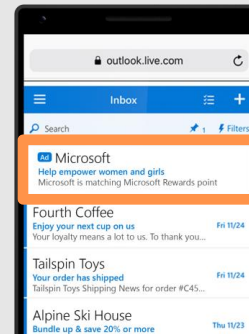Microsoft Edge

MSN

Select publisher partners

Microsoft

Meet your customer where they browse, e-mail, & search
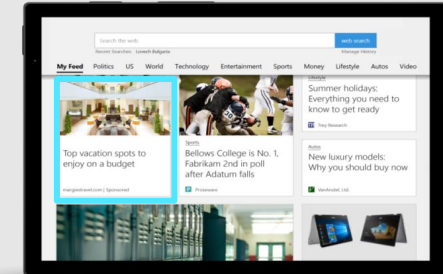
Percentage of user overlap between Microsoft properties & Bing
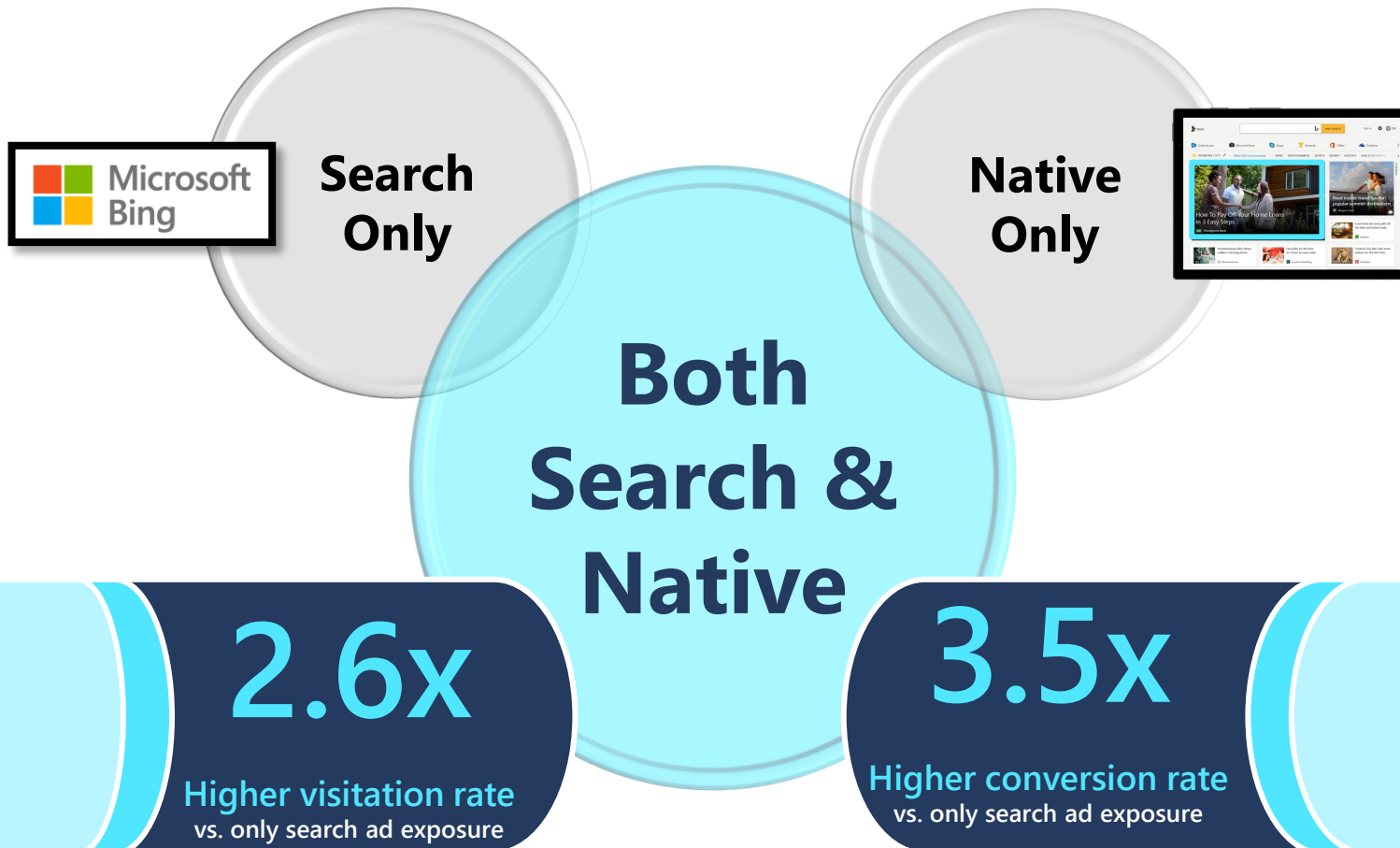
Microsoft News
69.6%

Outlook
48.4%

Edge & IE New Tab
72.6%

Comscore Media Matrix, Cross-Visiting Monthly Shared Audience, Total Audience, December 2020, US, Properties: Microsoft News, Bing Web, Outlook Web, MSN New Tab

Microsoft

Maximize performance by combining search and native strategies

Search Only

Native Only

Both Search & Native

2.6x
Higher visitation rate
vs. only search ad exposure

3.5x
Higher conversion rate
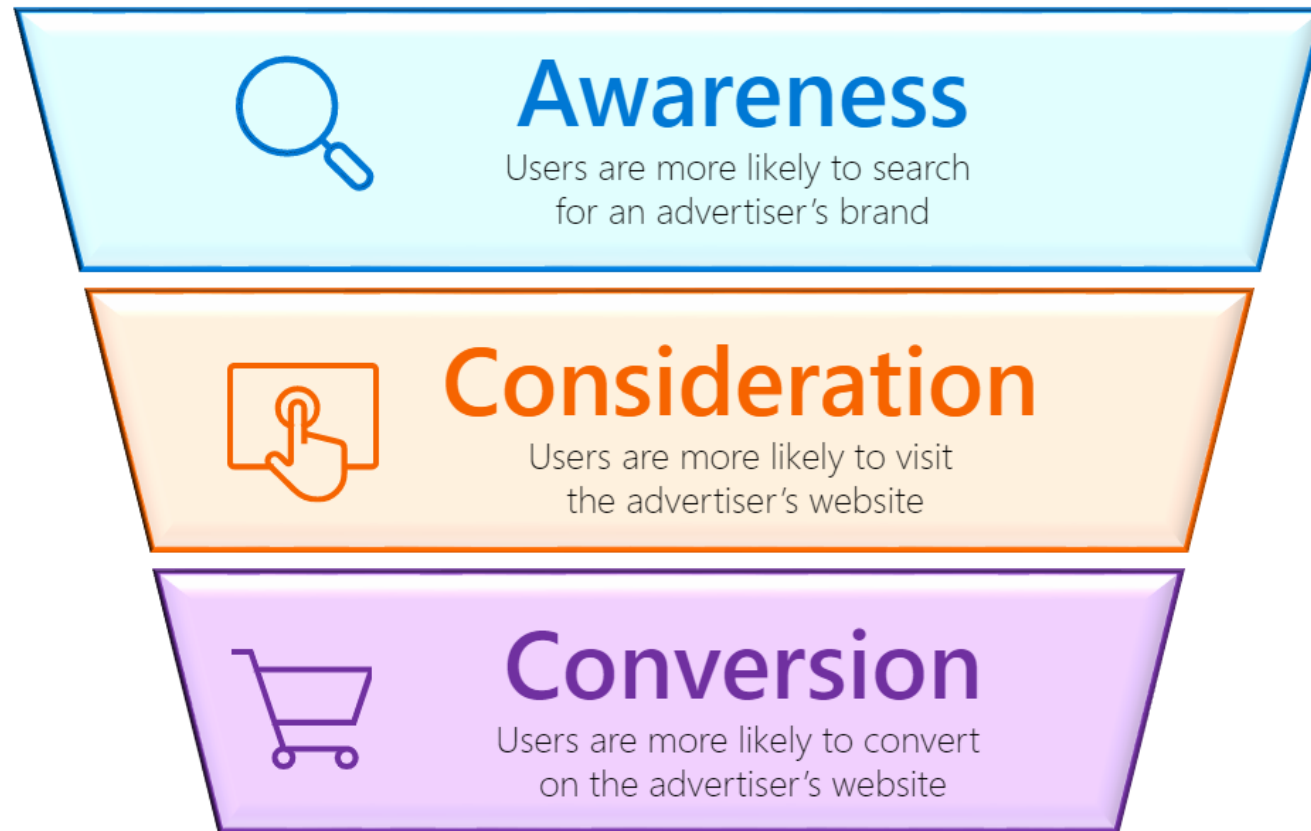vs. only search ad exposure

Microsoft

Internal study: comparing brand lift across the funnel

Microsoft

Hypothesis:
Microsoft Audience Ads in native environments drive a lift in engagement at every step of the marketing funnel

Audience ad exposure helps advertisers achieve greater...

Awareness
Users are more likely to search for an advertiser's brand

Consideration
Users are more likely to visit the advertiser's website

Conversion
Users are more likely to convert on the advertiser's website

Microsoft

"The (marketing) funnel is fed from the top, so generating fireworks and brand equity at the awareness stage will ultimately drive higher conversion rates, more leads and ultimately, more sales."
- MarTech

Microsoft

In order to test our hypothesis, we compared online search behavior between those who saw Microsoft Audience ads and those who did not

EXPOSED Exposed to an advertiser's Microsoft Audience Ads

Microsoft Audience Ads exposure

Search behavior and site visitation/conversion

CONTROL Eligible, but not exposed to an advertiser's Microsoft Audience Ads

Search behavior and site visitation/conversion

Group 1	Exposed to both brand's Microsoft Audience Ads and search ads
Group 2	Exposed to brand's Microsoft Audience Ads only
Group 3	Exposed to brand's search ads only
Group 4	No brand ad exposure

Microsoft

As predicted, Microsoft audience ads showed higher engagement rates and brand lift at every tier

AWARENESS

2.2x

Lift in brand awareness per user, measured by post-exposure brand search rate

CONSIDERATION

4.8x

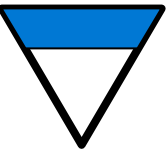*Lift in brand consideration per user, measured by post-exposure domain visit rate*

CONVERSION

4.4x

Lift in brand purchase per user, measured by post-exposure conversion page visit rate

Microsoft

Achieve greater brand awareness

AWARENESS

2.2x

Overall lift in brand awareness per user, measured by post-exposure brand search rate

☑ Lead with In-Market and Similar audiences for widest reach of net-new users

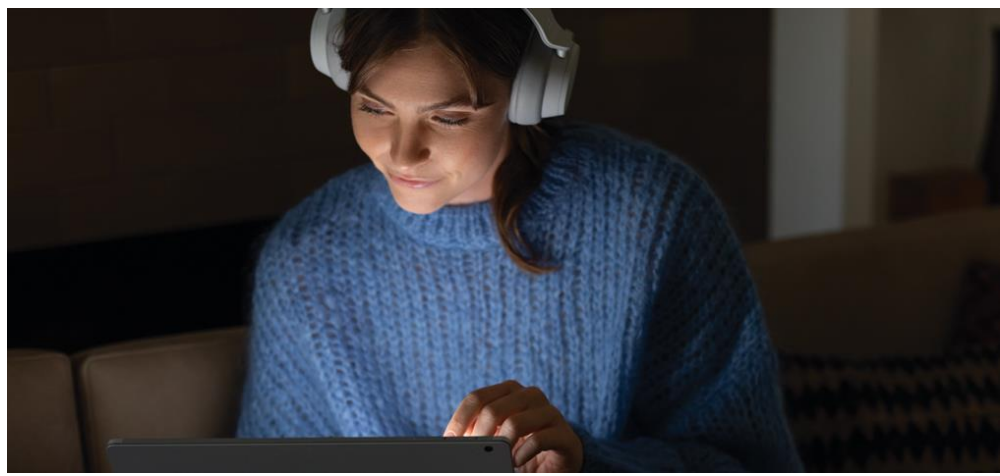☑ Ensure campaigns are not budget constrained by monitoring Share of Voice Lost Due to Budget

☑ Deploy lifestyle imagery & simple ad copy to garner attention & recall

Microsoft

Achieve greater brand consideration

CONSIDERATION

4.8x

*Overall lift in brand
consideration per user,
measured by post-
exposure domain visit rate*

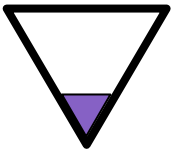☑ **Maximize targeting of your own 1st party audiences, especially recent visitors**

☑ **Actively monitor & optimize bids, budget levels, & share of voice**

☑ **Test & learn across all available ad types**
Ex. Image, Feed-Based, Text, Video (coming soon)

Microsoft

Achieve greater conversions for your brand

CONVERSION

4.4x

Overall in brand conversion per user, measured by post-exposure conversion page visit rate

- ☑ Ensure an evergreen strategy, continually optimizing bids & budgets to exceed ROI targets

- ☑ Monitor domain level performance and exclude low-performing domains if necessary

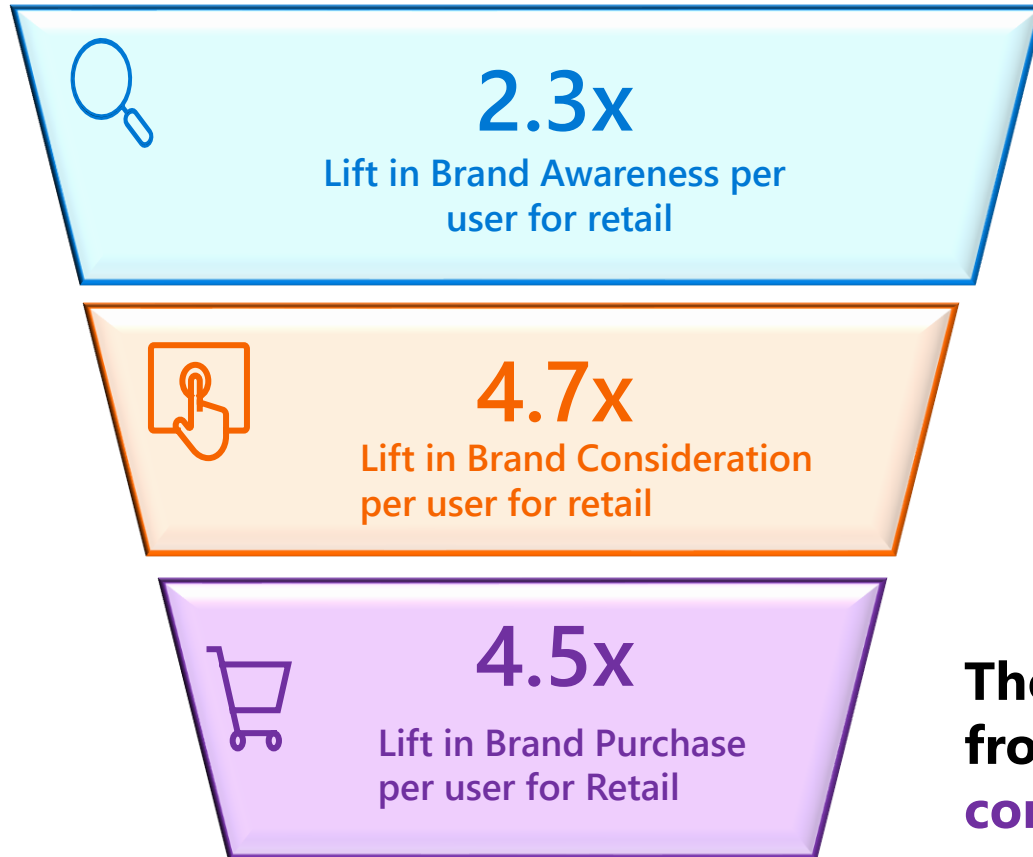- ☑ Encourage engagement with clear call to action & references to promotions

Microsoft

Brand lift by category in the Microsoft Audience Network

Microsoft

Microsoft Audience Network performance: Retail

Retail Ad Effectiveness Study

2.3x
Lift in Brand Awareness per user for retail

4.7x
Lift in Brand Consideration per user for retail

4.5x
Lift in Brand Purchase per user for Retail

Those who saw an Microsoft Audience Network ad from a retail client were **2.3 times more likely to search for that client's brand queries.** [1]
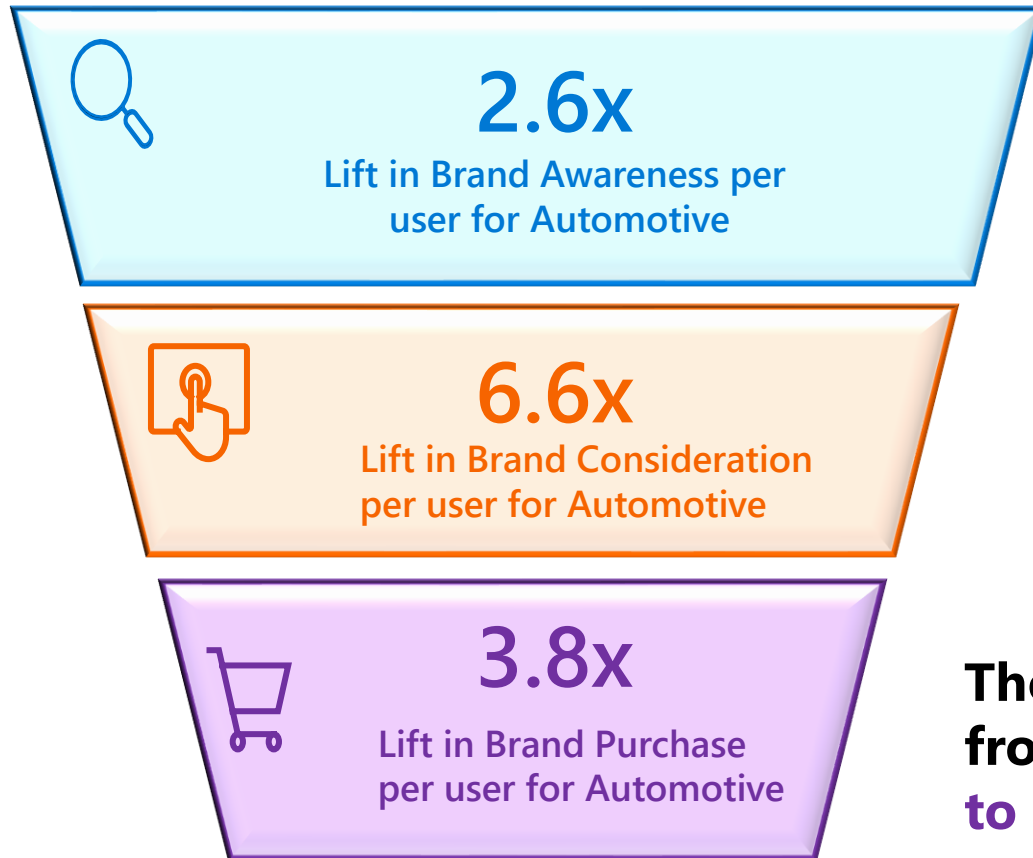
Those who saw an Microsoft Audience Network ad from a retail client were **4.7 times more likely to visit the client's web site**, regardless of entry point. [1 & 2]

Those who saw an Microsoft Audience Network ad from a retail client were **4.5 times more likely to convert** than control users. [1 & 3]

Microsoft

Microsoft Audience Network performance: Automotive

Automotive Ad Effectiveness Study

2.6x
Lift in Brand Awareness per user for Automotive

6.6x
Lift in Brand Consideration per user for Automotive

3.8x
Lift in Brand Purchase per user for Automotive

Those who saw an Microsoft Audience Network ad from an automotive client were 2.3 times more likely to search for that client's brand queries. [1]
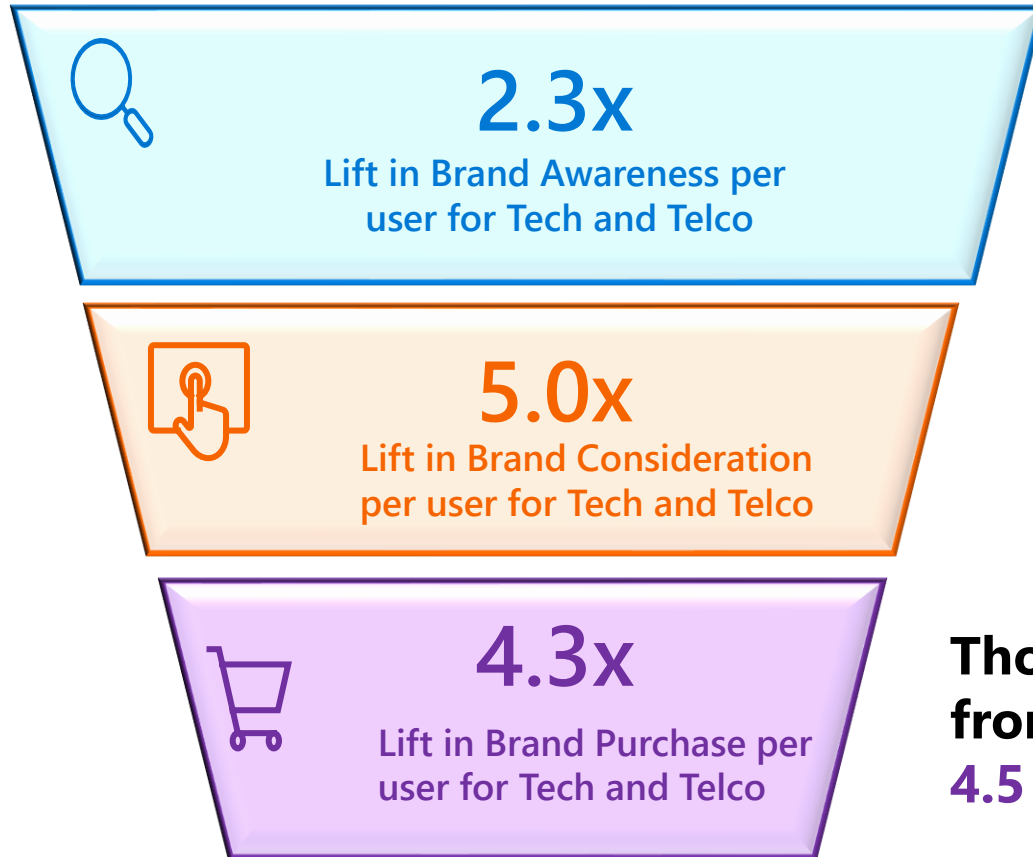
Those who saw an Microsoft Audience Network ad from an automotive client were 4.7 times more likely to visit the client's web site, regardless of entry point. [1 & 2]

Those who saw an Microsoft Audience Network ad from an automotive client were 4.5 times more likely to convert than control users. [1 & 3]

Microsoft

Microsoft Audience Network performance: Technology and Telecommunications

Tech and Telco Ad Effectiveness Study

2.3x
Lift in Brand Awareness per user for Tech and Telco

5.0x
Lift in Brand Consideration per user for Tech and Telco

4.3x
Lift in Brand Purchase per user for Tech and Telco

Those who saw an Microsoft Audience Network ad from a technology or telecommunications client were **2.3 times more likely to search for that client's brand queries.** [1]

Those who saw an Microsoft Audience Network ad from a technology or telecommunications client were **4.7 times more likely to visit the client's web site**, regardless of entry point. [1 & 2]

Those who saw an Microsoft Audience Network ad from a technology or telecommunications client were **4.5 times more likely to convert** than control users. [1 & 3]
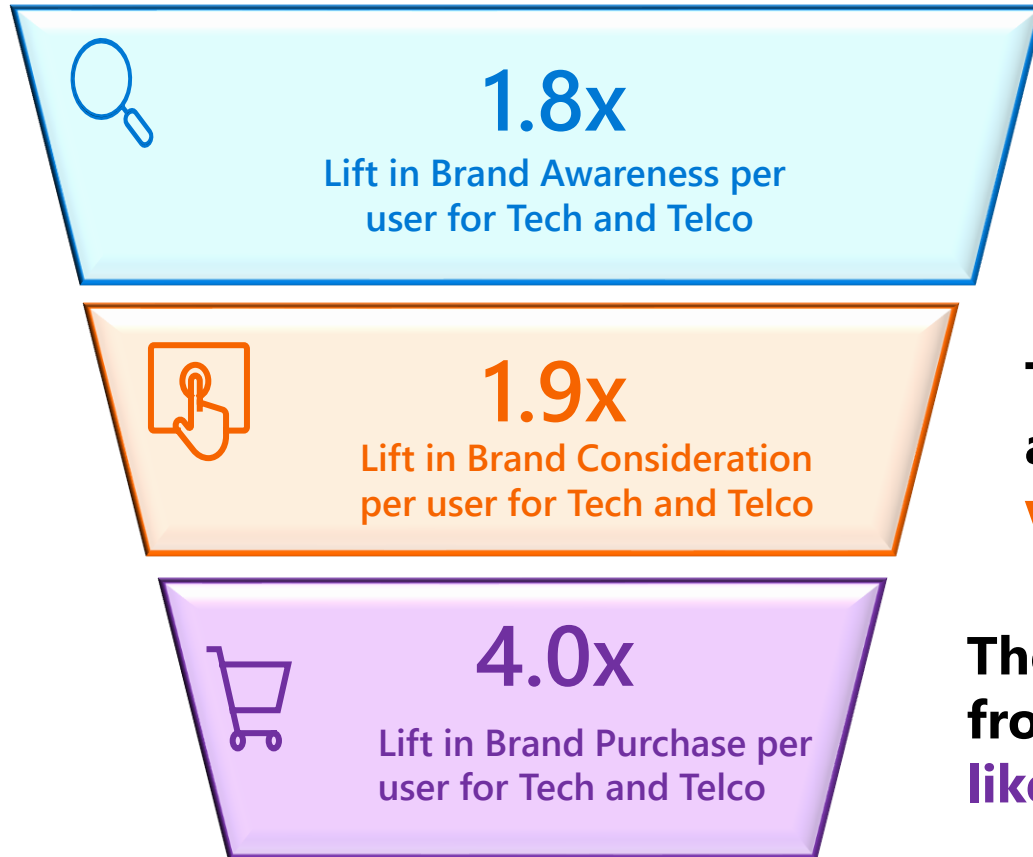
Microsoft

Microsoft Audience Network performance: Financial Services

Financial Services Ad Effectiveness Study

1.8x
Lift in Brand Awareness per user for Tech and Telco

1.9x
Lift in Brand Consideration per user for Tech and Telco

4.0x
Lift in Brand Purchase per user for Tech and Telco

Those who saw an Microsoft Audience Network ad from a financial services client were 2.3 times more likely to search for that client's brand queries. [1]

Those who saw an Microsoft Audience Network ad from a financial services client were 4.7 times more likely to visit the client's web site, regardless of entry point. [1 & 2]

Those who saw an Microsoft Audience Network ad from a financial services client were 4.5 times more likely to convert than control users. [1 & 3]

Microsoft

Advertising solutions

Delivering on what matters most to YOU

Safety

Platform-wide Brand Protection
Control the quality of your media buys

- Evolving partnership with **Integral Ad Science** for Brand Safety & Viewability

- Premium & reliable ad placements away from user-generated content

Transparency

- **Full reporting suite** in the Microsoft Advertising User Interface

- Integration with 3rd party tools through **1x1 Impression tracking**

Ease of Use

- Ease of getting started through **Google** & **Facebook Import** tools

- Partnership with **Shutterstock** giving you access to over 300 million images

Microsoft

Top performing products on the Microsoft Audience Network

Remarking

In-Market Audiences

Dynamic Remarketing

All targeting tactics drove a positive brand lift in ALL STAGES of the marketing funnel
* Not to be read in any particular order

Similar Audiences

Custom Audiences

Microsoft

Key Takeaways and Recommendations

Brands should be consistently evolving in how they source their data and use it to target consumers

Reach your audience in brand-safe environments through Microsoft Audience Network

Our survey showed that combining search and native strategies can help push consumers down the marketing funnel

As predicted, users exposed to Microsoft Audience ads engaged with brands at a higher rate than those who were not exposed

Microsoft Ad Network has an array of products your team can use to start capturing your target audiences

Tactics such as dynamic remarketing, in-market audiences, and similar audiences all showed a positive lift in engagement

Microsoft

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

Microsoft Advertising. Intelligent connections.

advertising.microsoft.com

Appendix

Methodology

Microsoft

Used experimental design principles to evaluate impact of Microsoft Audience Ads

EXPOSED — Exposed to an advertiser's Microsoft Audience Ads

Microsoft Audience Ads exposure > Search behavior and site visitation/conversion

CONTROL — Eligible, but not exposed to an advertiser's Microsoft Audience Ads

> Search behavior and site visitation/conversion

Microsoft

User segmentation and normalization are applied to ensure exposed and control groups are comparable

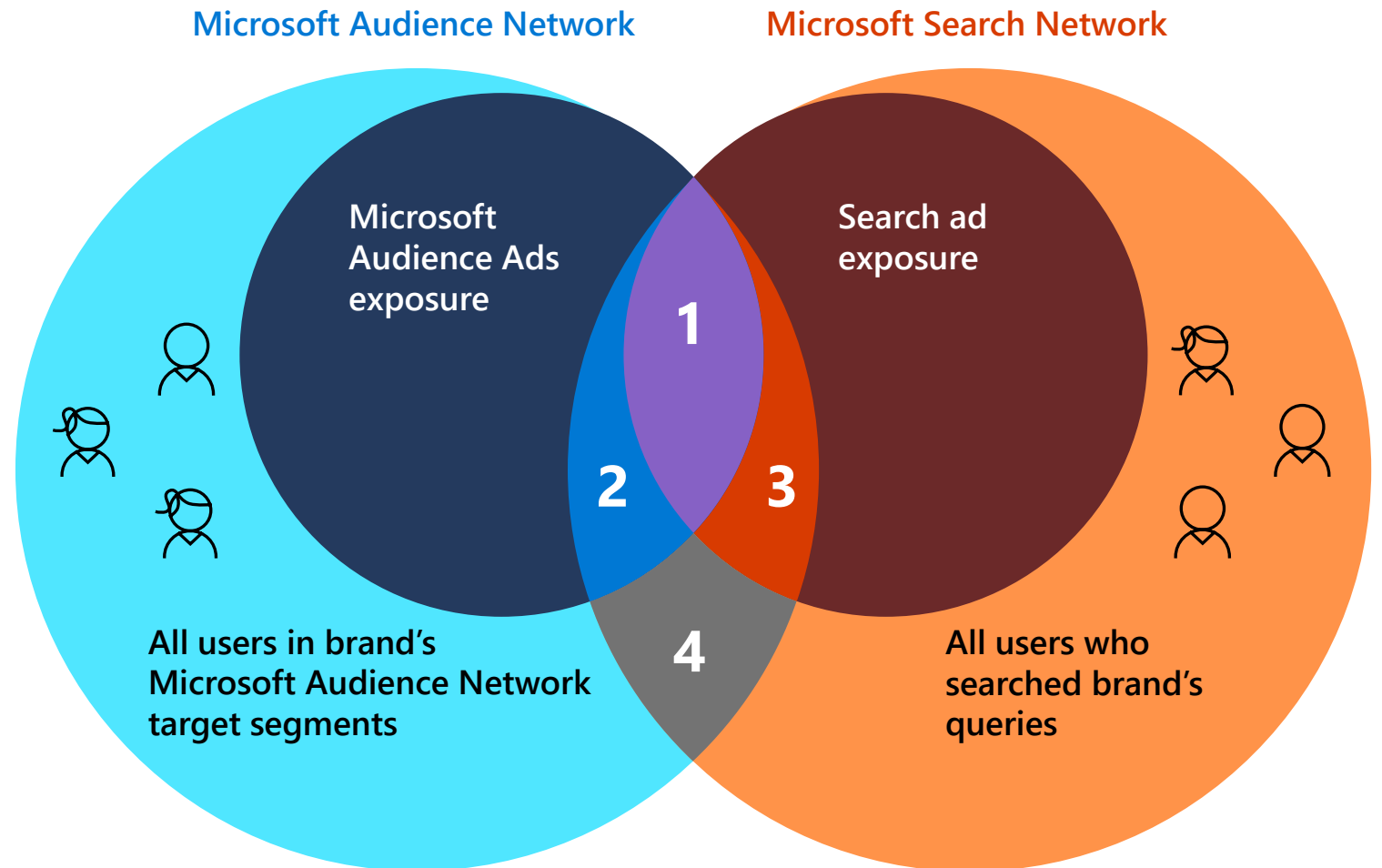**EXPOSED** — Exposed to an advertiser's Microsoft Audience Ads

CONTROL — Eligible, but not exposed to an advertiser's Microsoft Audience Ads

Seg1&2 Seg1&3&4 Seg4 Seg2&5

Behavior difference

Comparison and normalization
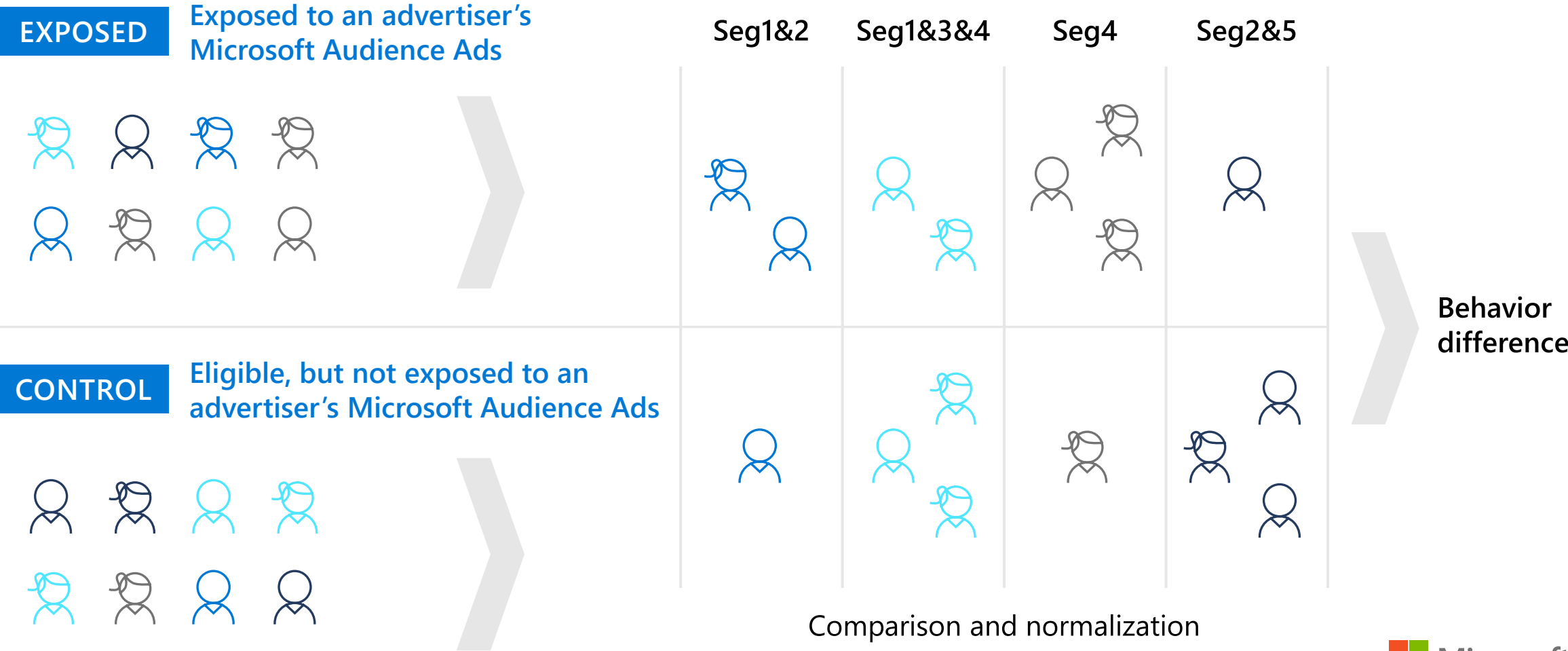
Microsoft

When connecting our **Audience Network** with our **Search Network**, we can measure the true value of advertising with Microsoft

Microsoft Audience Network

Microsoft Search Network

Microsoft Audience Ads exposure

Search ad exposure

1

2 **3**

4

All users in brand's Microsoft Audience Network target segments

All users who searched brand's queries

Group 1	Exposed to both brand's Microsoft Audience Ads and search ads
Group 2	Exposed to brand's Microsoft Audience Ads only
Group 3	Exposed to brand's search ads only
Group 4	No brand ad exposure

*The visual is to give representation of the four different audience breakouts and is not to scale.

Microsoft