Microsoft Advertising Insights
Analyzing brand engagement across the Microsoft Audience Network
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
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
It’s a new age for **privacy**

87% of people in the U.S. believe that **privacy is a right**, not a privilege¹

Brands and publishers invested U.S.$19.7B in audience data and activation in the U.S. alone²

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

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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
- 11B global monthly searches
- 675M global professionals
- 200M monthly unique visitors


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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

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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%

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

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 = 1.55M
Internal study: comparing brand lift across the funnel
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...
“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
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

<table>
<thead>
<tr>
<th>Group</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Group 1</td>
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</tr>
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<tr>
<td>Group 4</td>
<td>No brand ad exposure</td>
</tr>
</tbody>
</table>

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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

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 = 1.55M.
Achieve greater brand **awareness**

2.2x

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

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**Awareness**

- 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

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. 2020). These advertisers are 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 = 1.55M
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)

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. 2020). These advertisers are 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 = 1.55M.
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

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. 2020). These advertisers are 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 = 1.55M
Brand lift by category in the Microsoft Audience Network
Microsoft Audience Network performance: Retail

Retail Ad Effectiveness Study

2.3x
Lift in Brand Awareness per user for retail

Those who saw an Microsoft Audience Network ad from a retail client were \textbf{2.3 times more likely to search} for that client’s brand queries. \(^1\)

4.7x
Lift in Brand Consideration per user for retail

Those who saw an Microsoft Audience Network ad from a retail client were \textbf{4.7 times more likely to visit the client’s web site}, regardless of entry point. \(^1\) & \(^2\)

4.5x
Lift in Brand Purchase per user for Retail

Those who saw an Microsoft Audience Network ad from a retail client were \textbf{4.5 times more likely to convert} than control users. \(^1\) & \(^3\)

Source: 1. Microsoft internal data via Retail Ad Effectiveness Study. 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. 2. This measures user visits to the site even if they did not come from Search. Users can visit the site by navigating directly to www.brand.com or using any other method. 3. This is measured by a user visiting www.BrandExample.com/thank-you or www.BrandExample.com/OrderConfirmation or any specific URL parameter identified by the client.
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

Source: 1. 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 = 795K. ². This measures user visits to the site even if they did not come from Search. Users can visit the site by navigating directly to www.brand.com or using any other method. ³. This is measured by a user visiting www.BrandExample.com/thank-you or www.BrandExample.com/OrderConfirmation or any specific URL parameter identified by the client.
Microsoft Audience Network performance: Technology and Telecommunications

Tech and Telco Ad Effectiveness Study

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.**

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.**

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.

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**Source:** 1. Results may vary for each advertiser based on campaign settings, targeted audiences, and other factors. Lift metrics represent an average of all Tech & Telco 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 measured on a per-user basis. Average user count per advertiser study = 844K

2. This measures user visits to the site even if they did not come from Search. Users can visit the site by navigating directly to www.brand.com or using any other method.

3. This is measured by a user visiting www.BrandExample.com/thank-you or www.BrandExample.com/OrderConfirmation or any specific URL parameter identified by the client.
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.**

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.**

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

Source: 1. Results may vary for each advertiser based on campaign settings, targeted audiences, and other factors. Metrics represent an average of all Financial Services advertisers with 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 = 1.07M

2. This measures user visits to the site even if they did not come from Search. Users can visit the site by navigating directly to www.brand.com or using any other method.

3. This is measured by a user visiting www.BrandExample.com/thank-you or www.BrandExample.com/OrderConfirmation or any specific URL parameter identified by the client.
Advertising solutions
Delivering on what matters most to YOU

Safety

- Evolving partnership with **Integral Ad Science** for Brand Safety & Viewability
- Premium & reliable ad placements away from user-generated content

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

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
Top performing products on the Microsoft Audience Network

All targeting tactics drove a positive brand lift in ALL STAGES of the marketing funnel

* Not to be read in any particular order
Key Takeaways and Recommendations

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

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

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

  - Reach your audience in brand-safe environments through Microsoft Audience Network
  - As predicted, users exposed to Microsoft Audience ads engaged with brands at a higher rate than those who were not exposed
  - Tactics such as dynamic remarketing, in-market audiences, and similar audiences all showed a positive lift in engagement
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

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Appendix

Methodology
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
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

Comparison and normalization

Behavior difference

Seg1&2
Seg1&3&4
Seg4
Seg2&5
When connecting our **Audience Network** with our **Search Network**, we can measure the true value of advertising with Microsoft.

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

**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