

# Microsoft Advertising Insights Australia's end of fiscal year Retail insights

**“While consumers were stuck at home, their dollars travelled far and wide thanks to e-commerce.”**

-Bricklin Dwyer, Mastercard chief economist

# Make the most of your upcoming end of fiscal year (EOFY) seasonality

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# State of play



# The rise of online shopping in 2020

**9M (82%)**

**Australian households  
shopped online\***

**\$50.4B**

**Online goods spend  
+57% year over year\* (YoY)**

**16.3%**

**Online share of  
retail spend\***

# Trends consumers will follow



## Continue shopping online

"shoppers expect their **online shopping** frequency to remain **28% higher** than before the pandemic"\*



## Shop local

**67%** of participants agree that, 'in the future, they will buy more online from **e-retailers based in their country**\*\*

**57%** of shoppers said they wanted to **support local businesses** \*\*\*





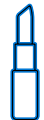




## Shop around

**22%** of shoppers purchased from an **online store that was new** for them in 2020\*\*

Source:  
Australia Post, Consumer Survey 2020, n=2,011, December 2020\*  
Australia Post, Consumer Survey 2020, n=1,792, September 2020\*\*  
Australia Post, Consumer Survey 2020, n=2,000, July 2020 \*\*\*

# 2020 showed large growth across various retail categories

	All up e-Com 	Variety stores 	Fashion and apparel 	Home & Garden 	Health & Beauty 	Hobbies & Recreational Goods 	Specialty Food & Liquor 
eCommerce growth year over year (YoY)*	57%	51%	46%	70%	57%	54%	77%
Search growth on Microsoft Search Network	36%**	21%	25%	69%	41%	54%	42%#
Click growth on Microsoft Search Network	38%**	41%	6%	32%	22%	55%	45%#

Source:  
 \*Australia Post - Inside Australian Online Shopping - eCommerce Industry Report 2021 (auspost.com.au)  
 \*\* search and click growth for all up Retail on MSA  
 #Food and groceries category on MSA

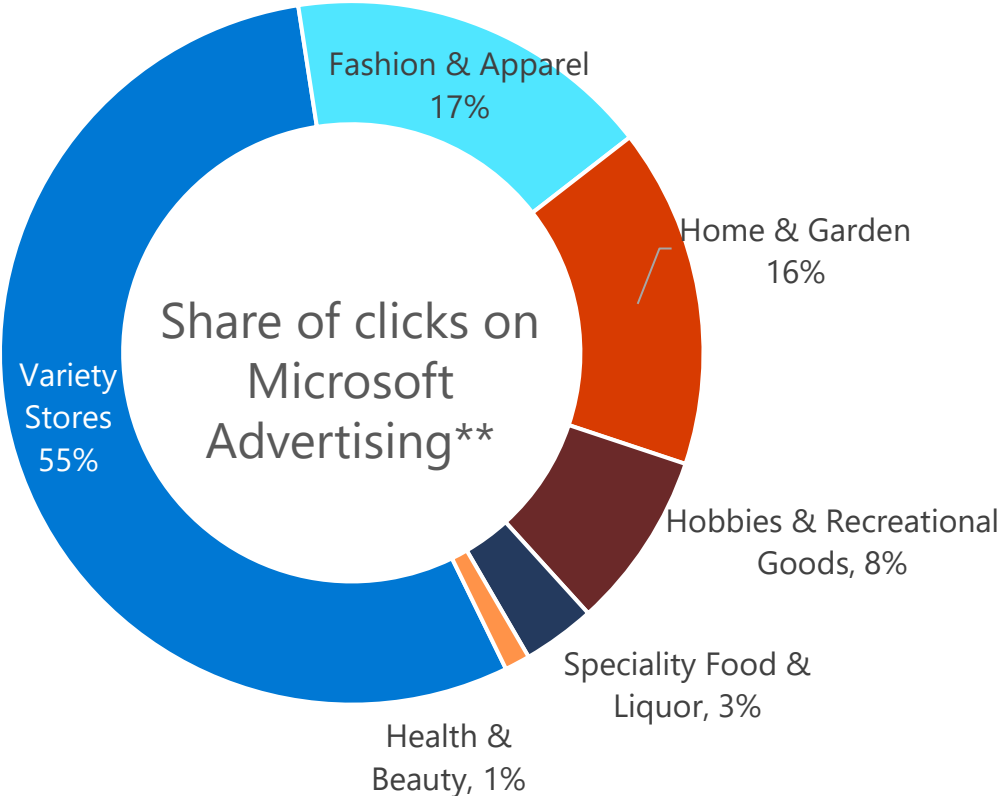
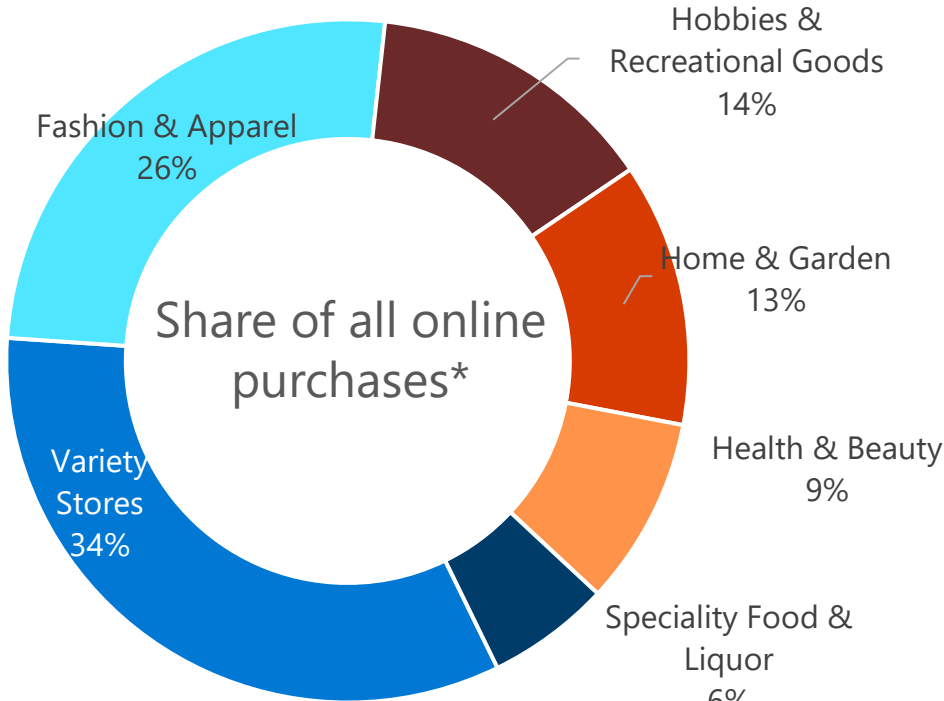




# Variety stores had the highest sales and clicks closely align

### Variety stores' breakdown

Fashion & Apparel **7.3%**  
Hobbies & Recreational Goods **6.4%**  
Home & Garden **10.3%**  
Other **9%**



Source:  
\*Australia Post - Inside Australian Online Shopping - eCommerce Industry Report 2021 (auspost.com.au)  
\*\*Microsoft internal data | Retail Clicks 2020







# Retail on Microsoft Advertising Network



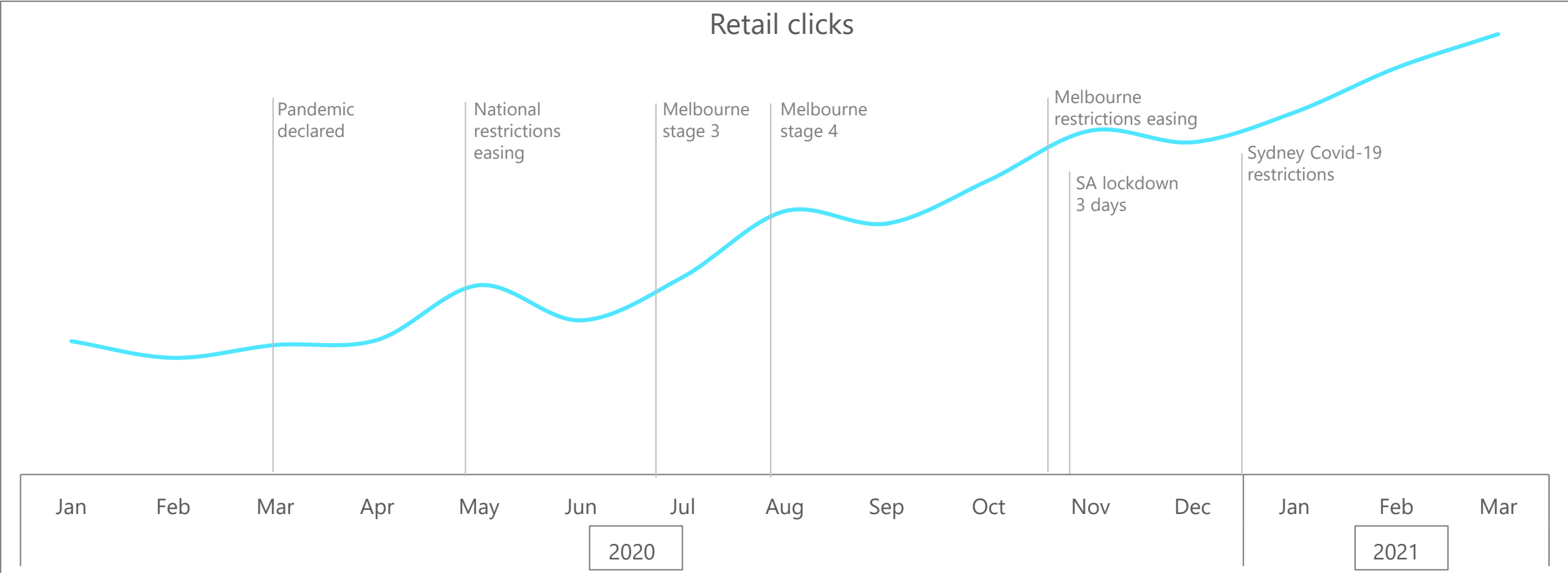
# Retail on Microsoft Advertising reflects market momentum

**+36%**  
Searches YoY

**+38%**  
Clicks YoY

**+72%**  
Conversions YoY

# Retail clicks are spiking, showing strong intent for online shopping



Source: Microsoft internal data  
Lockdown/restrictions info from Auspost ecom. report

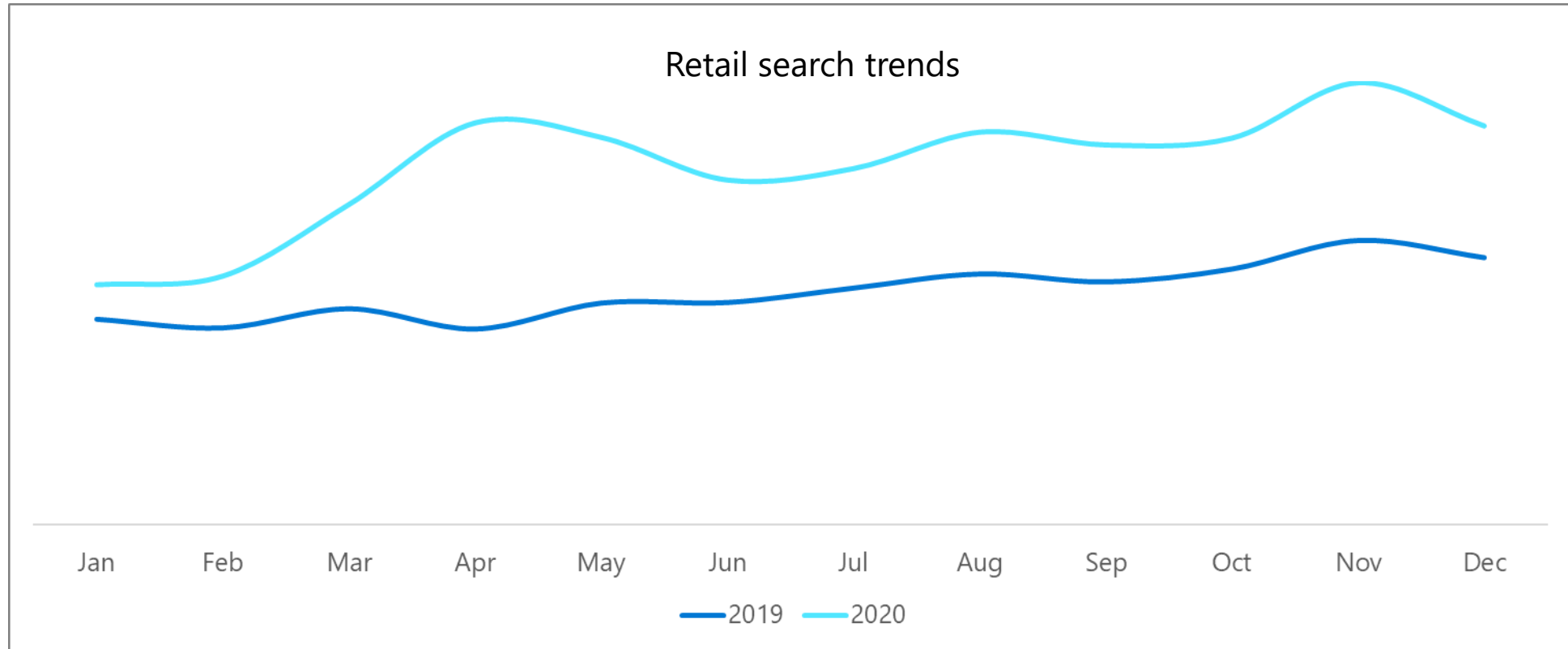




## EOFY trends

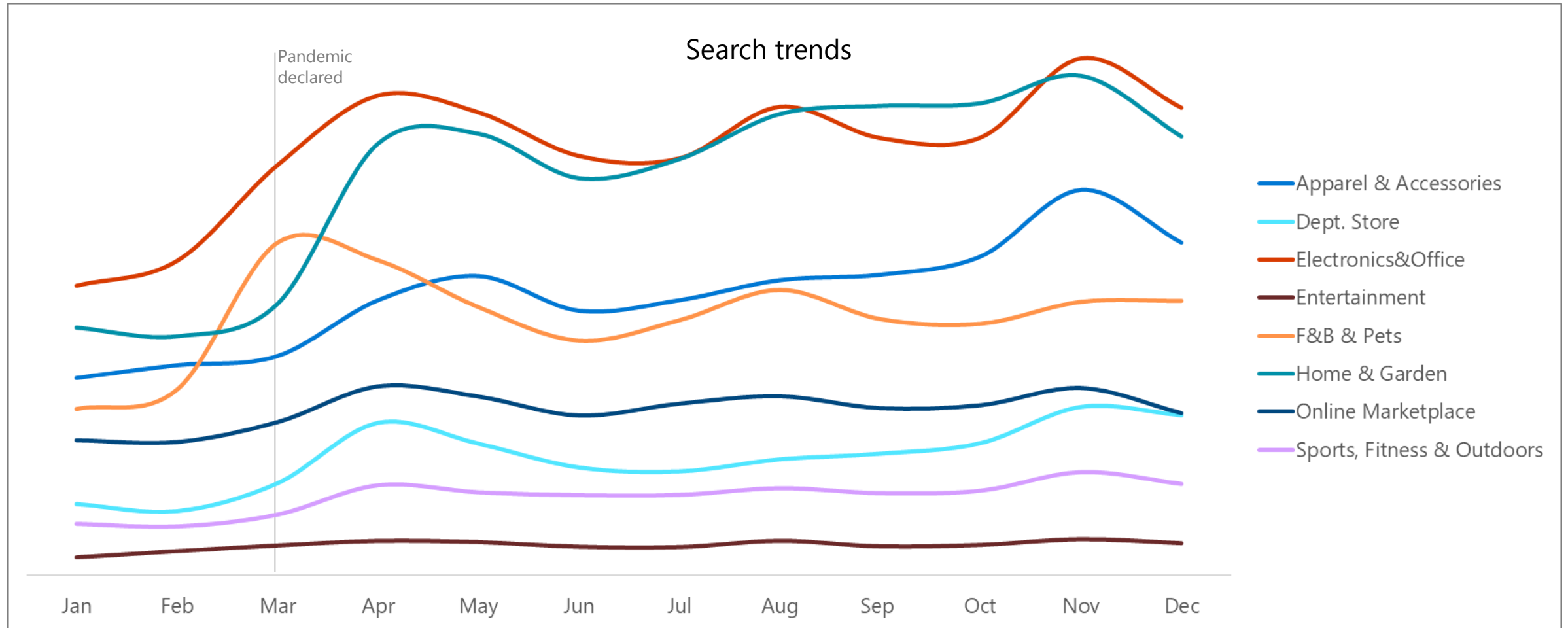


# A rise in EOFY sales contributed to search growth in 2020

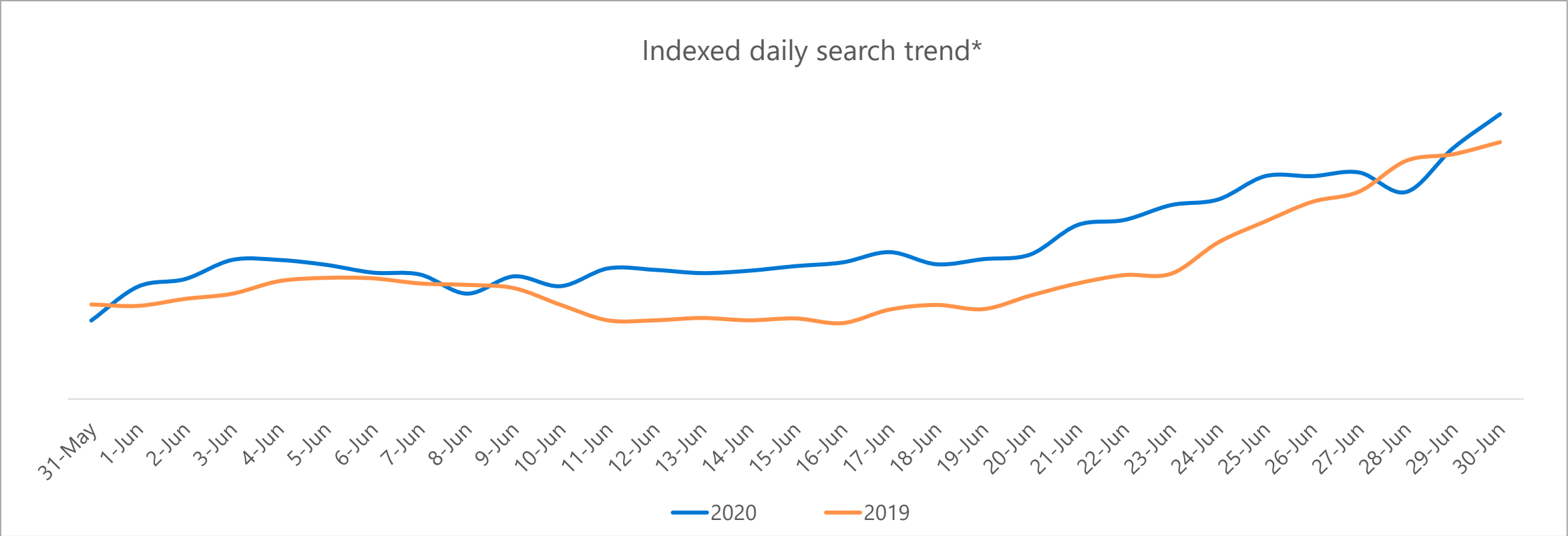




# Therefore, nearly all categories experienced a surge in traffic



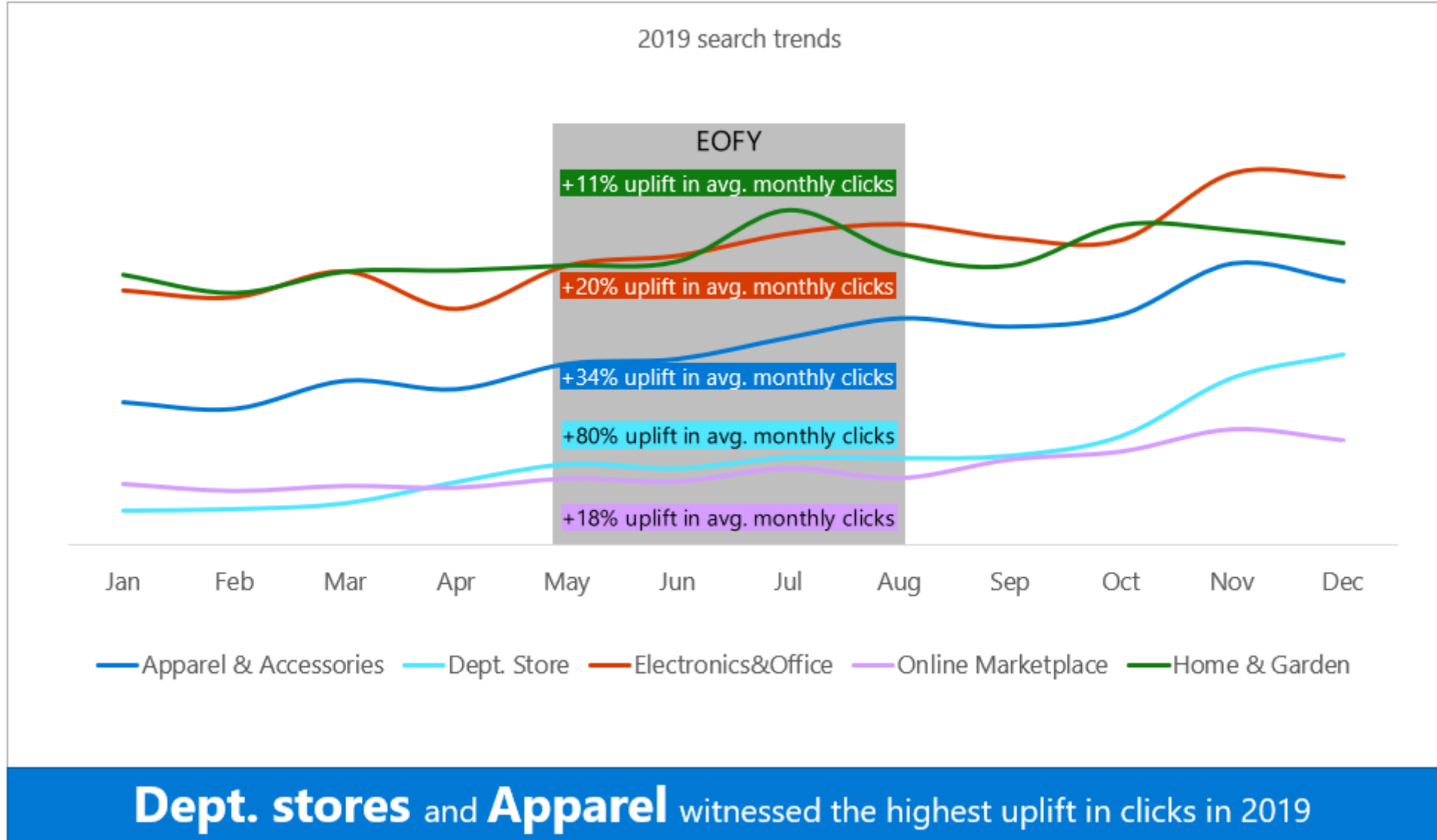
# “EOFY” related searches also grew 26% YoY due to lockdowns



Source: Microsoft Internal Data  
Indexed search volume for queries containing “EOFY” and “End of Financial Year” | 7 day moving average



# Top categories for EOFY growth on Microsoft Advertising



# Takeaways and recommendations



**Online retail** is here to stay. Retail clicks continue to see a strong momentum on Microsoft Advertising.



Retail clicks grew **38% YoY** as consumers moved online due to restrictions and began seeking a safe way to shop.



Conversions also grew **72% YoY** and we are seeing even more growth thus far in 2021



Utilize **Microsoft Shopping Campaigns, Dynamic Search Ads** and **Audiences** to drive additional volume



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