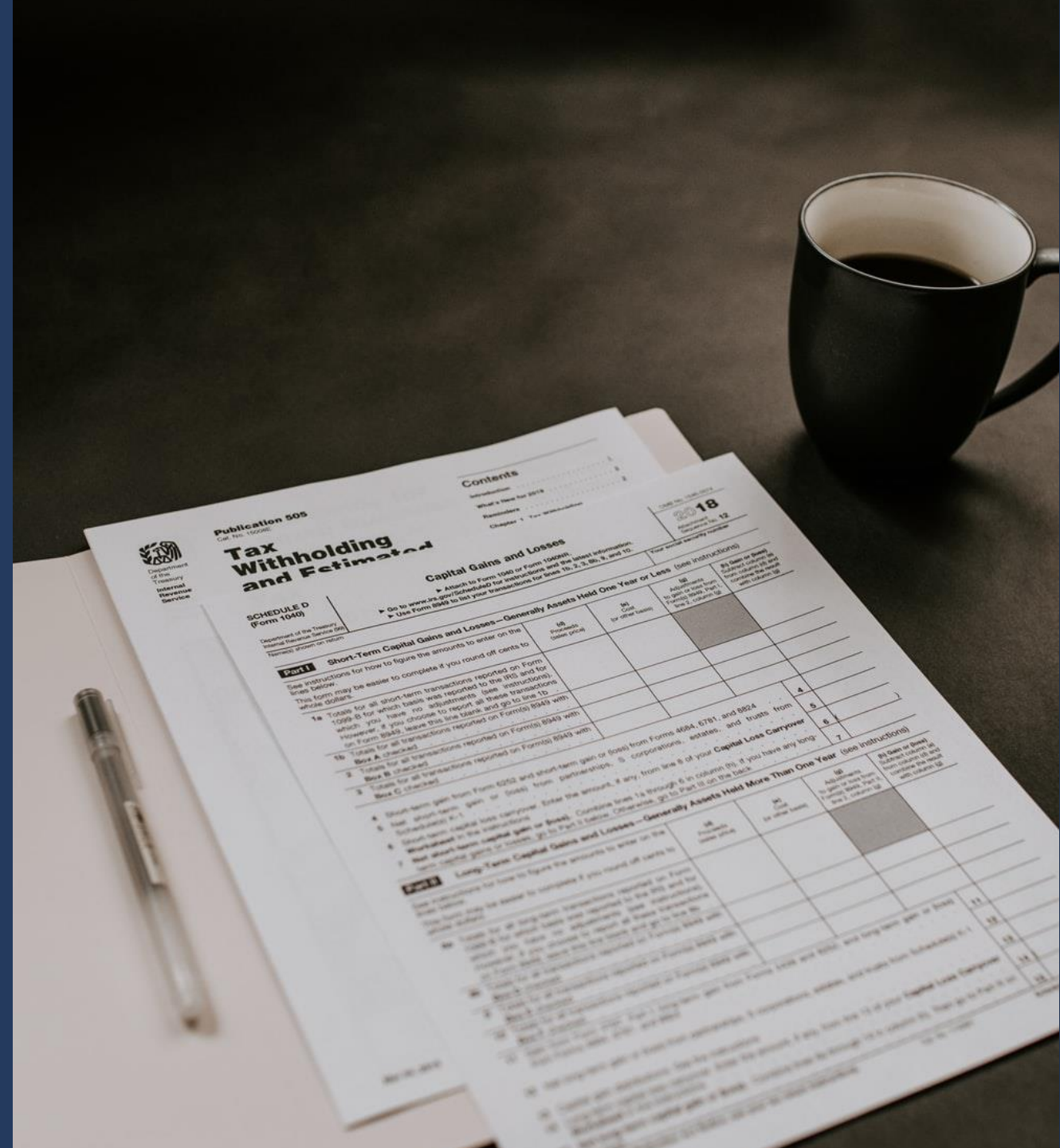




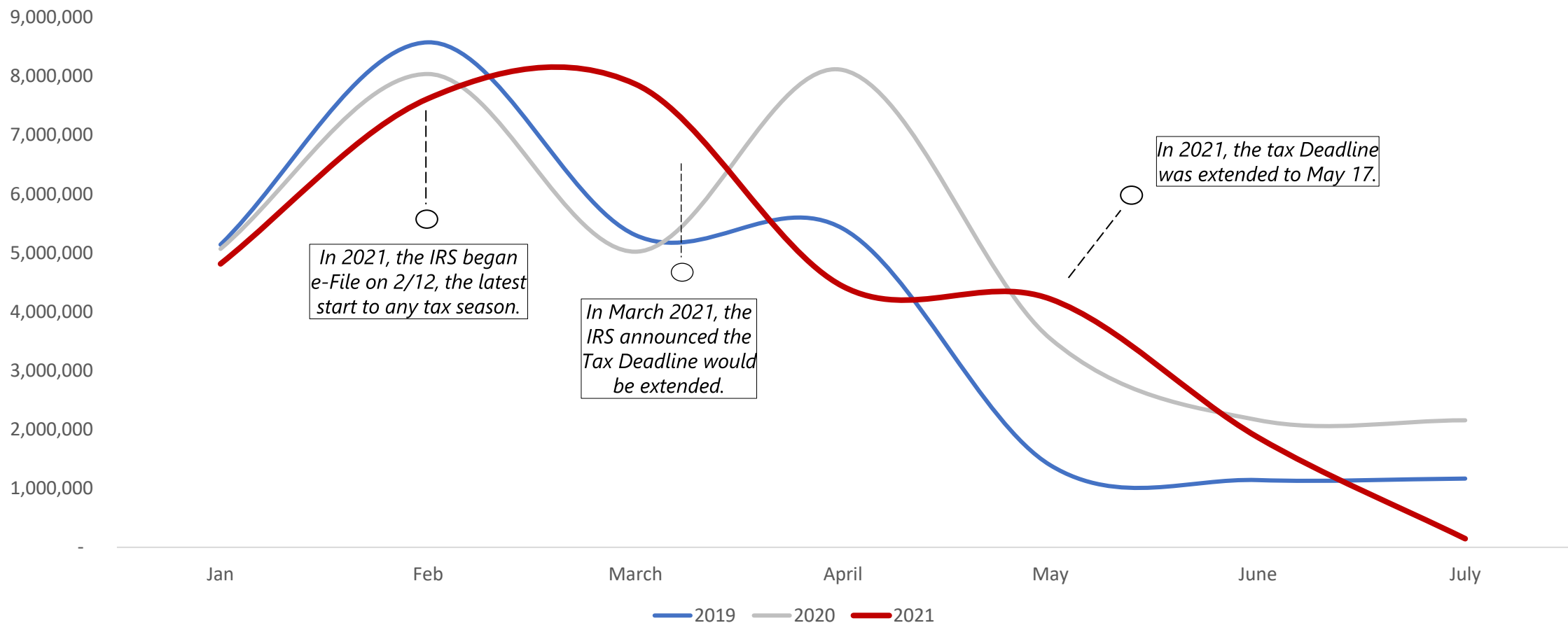
MICROSOFT ADVERTISING

Tax Season 2020 Wrap-Up

Microsoft Advertising. Intelligent connections.

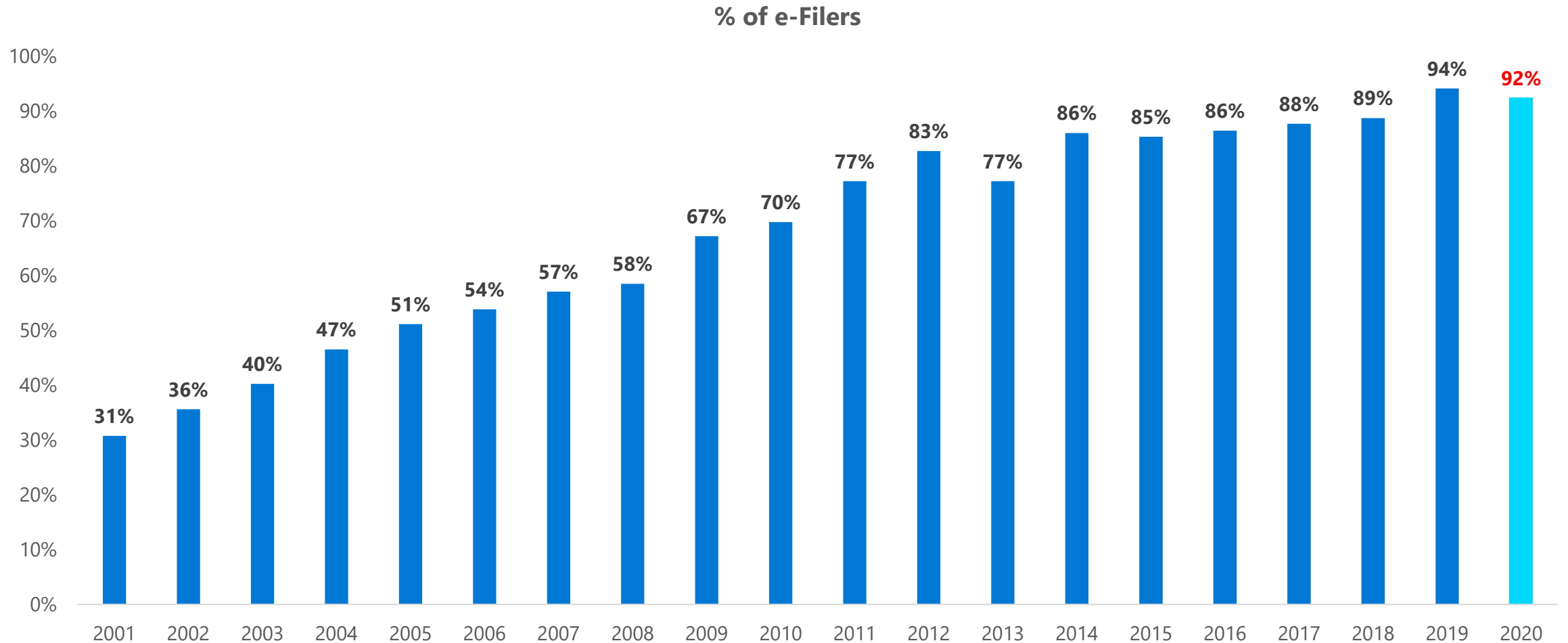


Daily non-brand searches 2019 - 2021

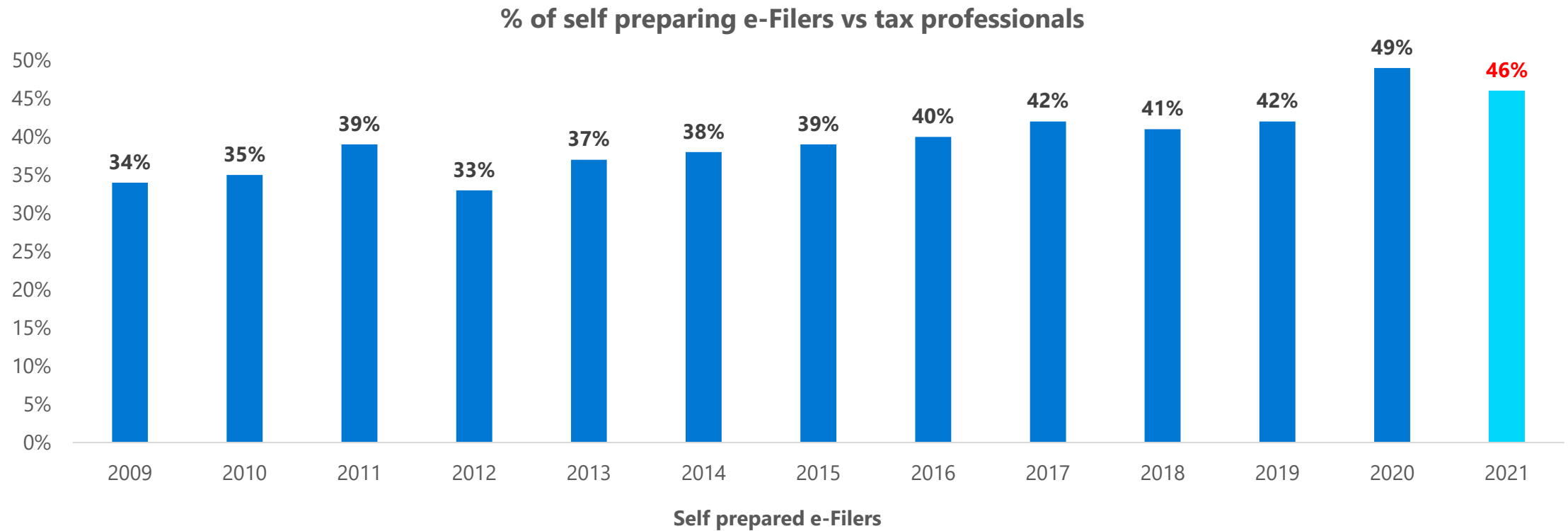


Source: Bing Ads Internal 2019-2021, Top 200 Queries, Bing Ads Core, All Devices
2020 dates adjusted to match weekend cadence

The number of e-Filers has grown steadily throughout the years but decreased 2% in 2021 due to filing trends normalizing

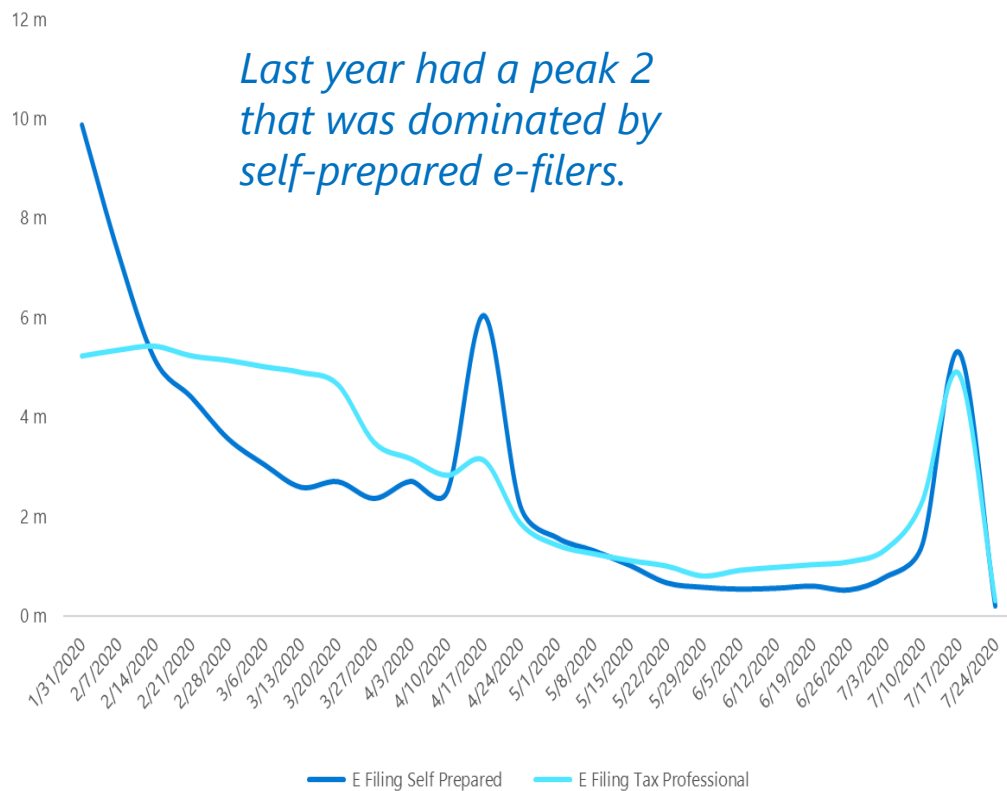


Self preparing e-Filers decreased 3% YoY as more filers reverted to tax professionals in 2021

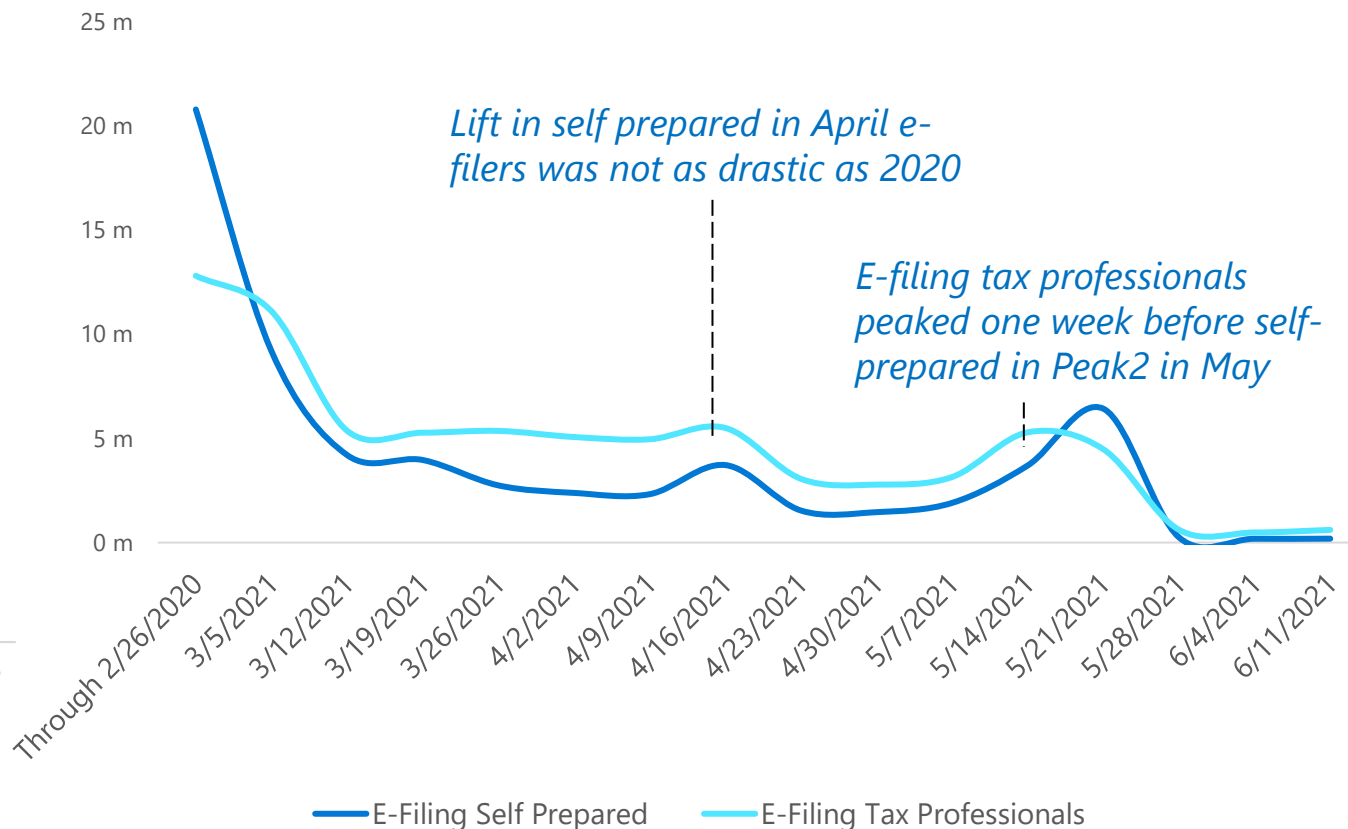


e-Filing patterns throughout the year

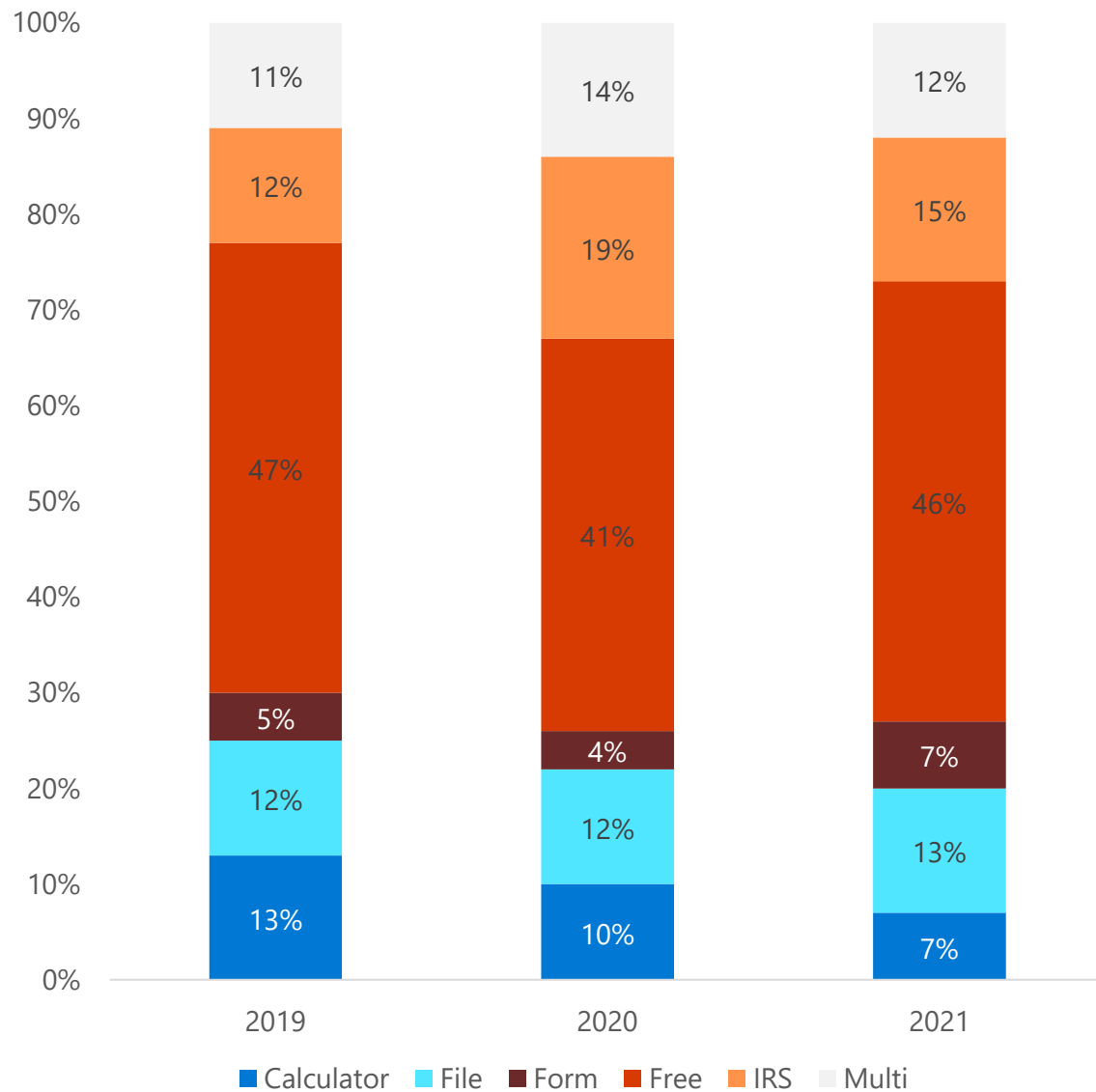
2020 e-Filing vs tax professionals



2021 e-Filing vs tax professionals



Clicks % by KW categories



“Multi” which are queries containing multiple modifiers saw a decline YoY. This can be attributed to more complex searches during 2020 than 2021, yet the % remained higher than 2019.

“IRS” terms declined as advertisers pulled back on this category in 2021. This was to prevent bidding on searches where the user’s intent was to get updates around stimulus checks and changing deadlines.

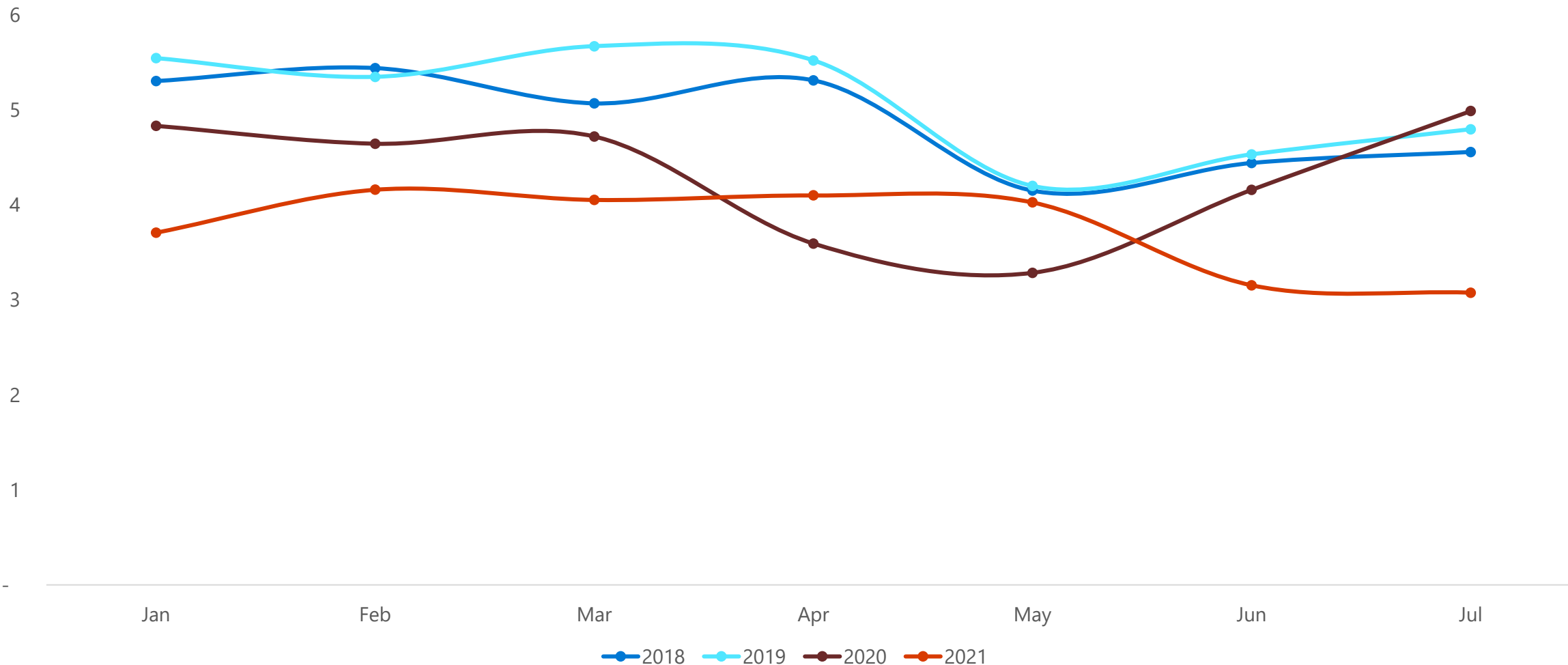
“Free” still dominated searches and increased 5% YoY as the click share shifted away from IRS terms.

“Form” saw the second biggest increase in click share YoY.

“File” remained consistent.

“Calculator” terms continue to see a decline in total share.

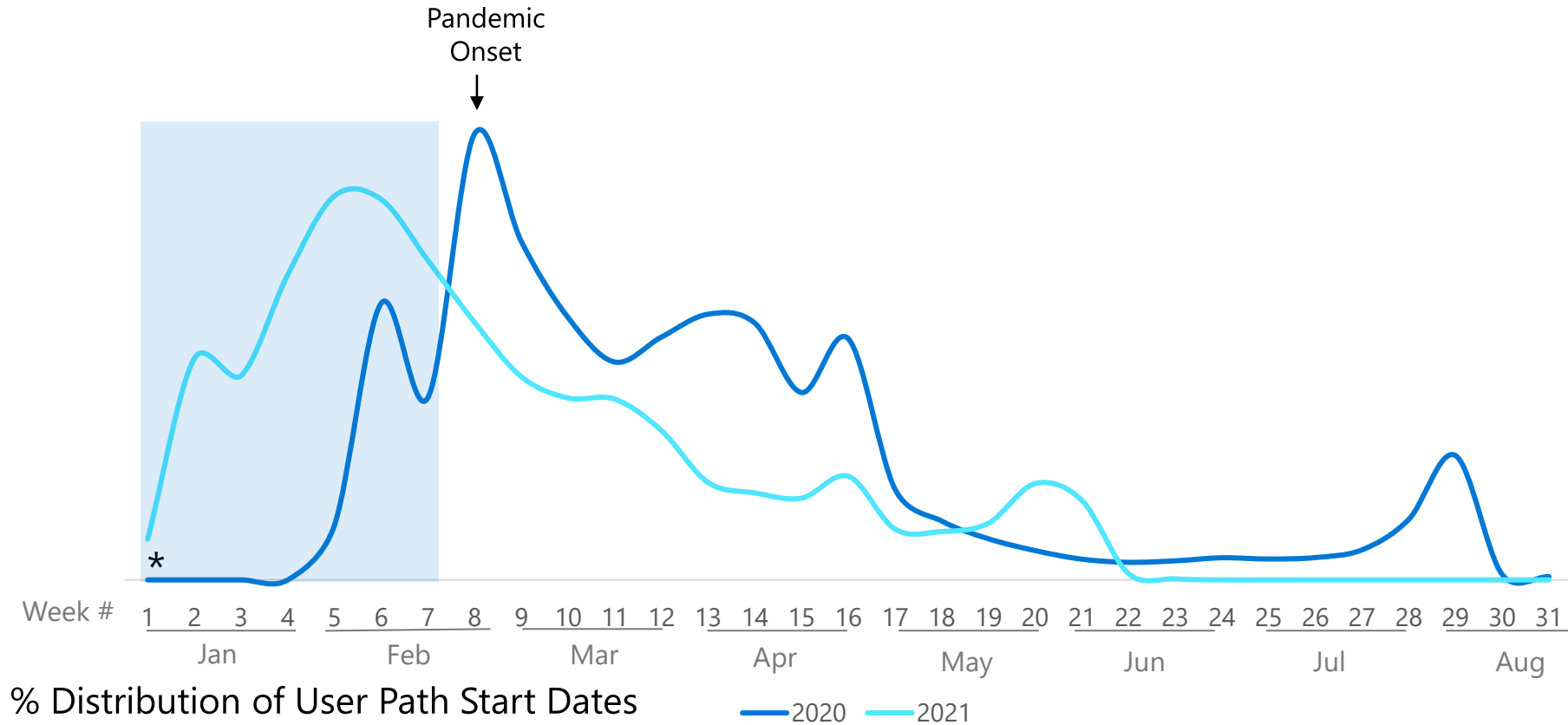
In addition to federal level e-Filing softness, advertiser density was the lowest in 4 years for the majority of 2021



Source: Bing Ads Internal, Query Pathing February-July 2020, Feb-May 2021

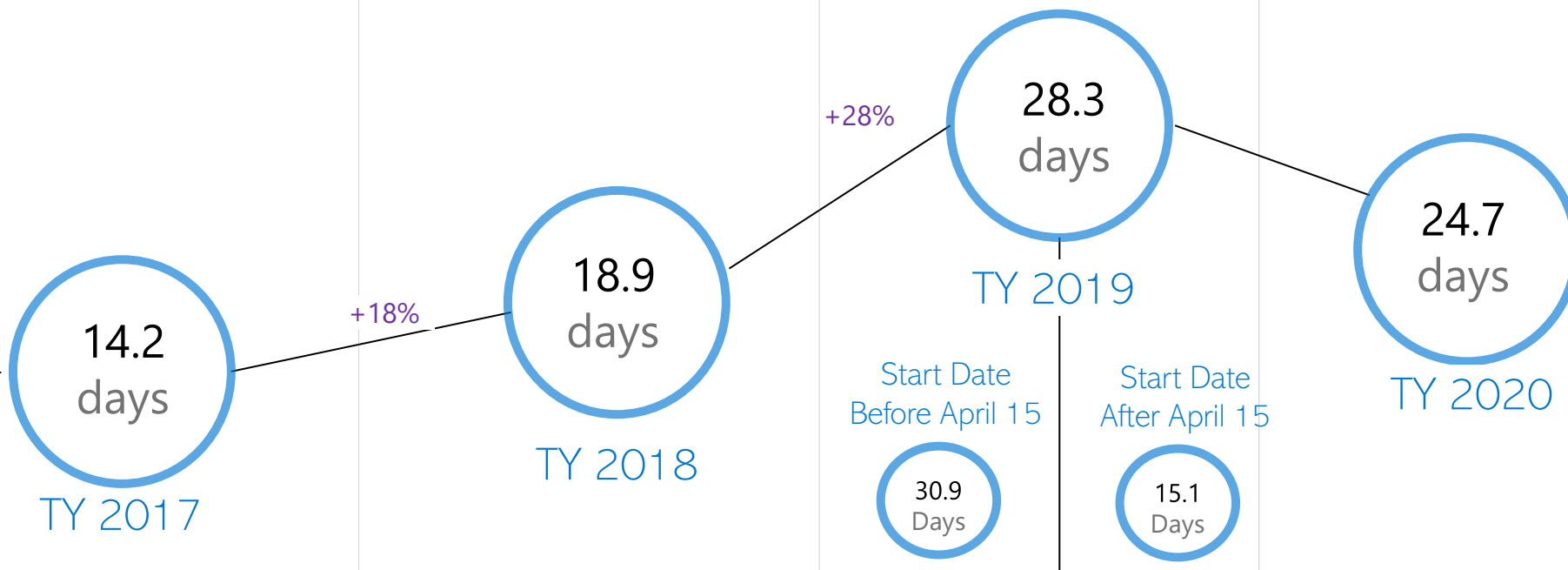


Majority of users started searching before February, declining further into tax season with a soft second peak



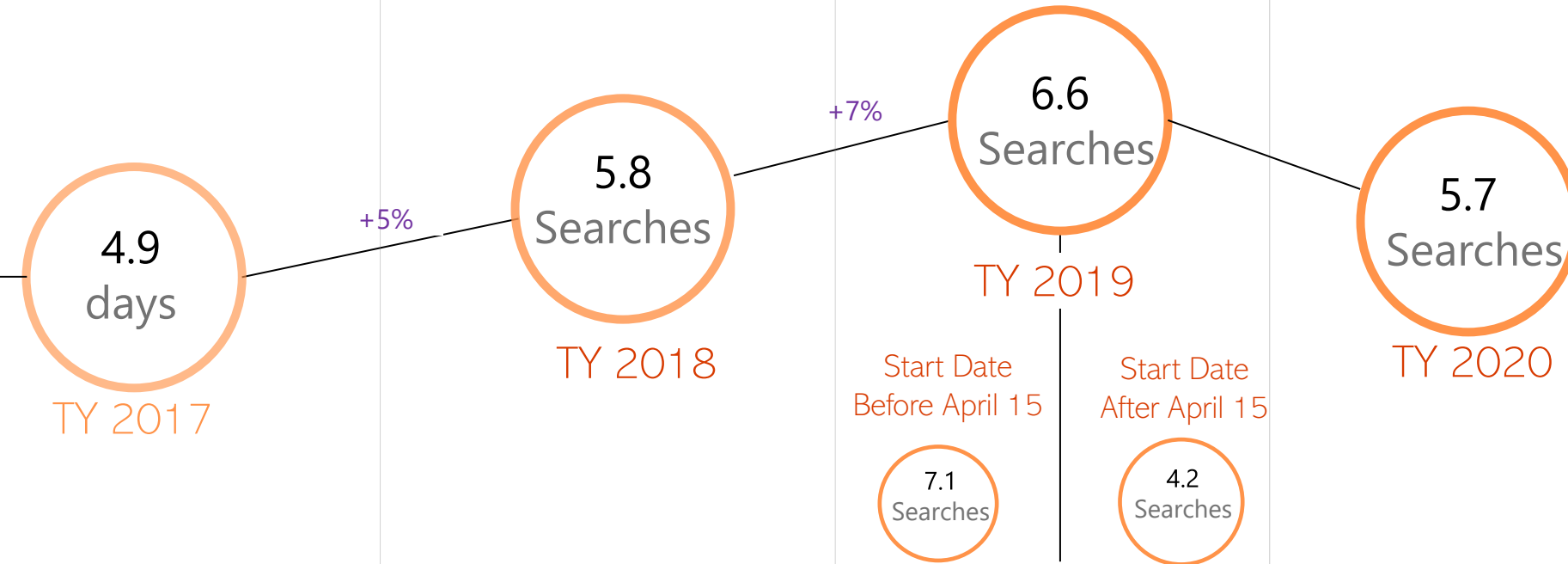
Source: Bing Ads Internal, Query Pathing February-July 2020, Feb-May 2021
 *Due to extended time period last year, data look back windows were unable to capture January time frame

This year's journey length in days normalized a bit, but remained long due to the extended period

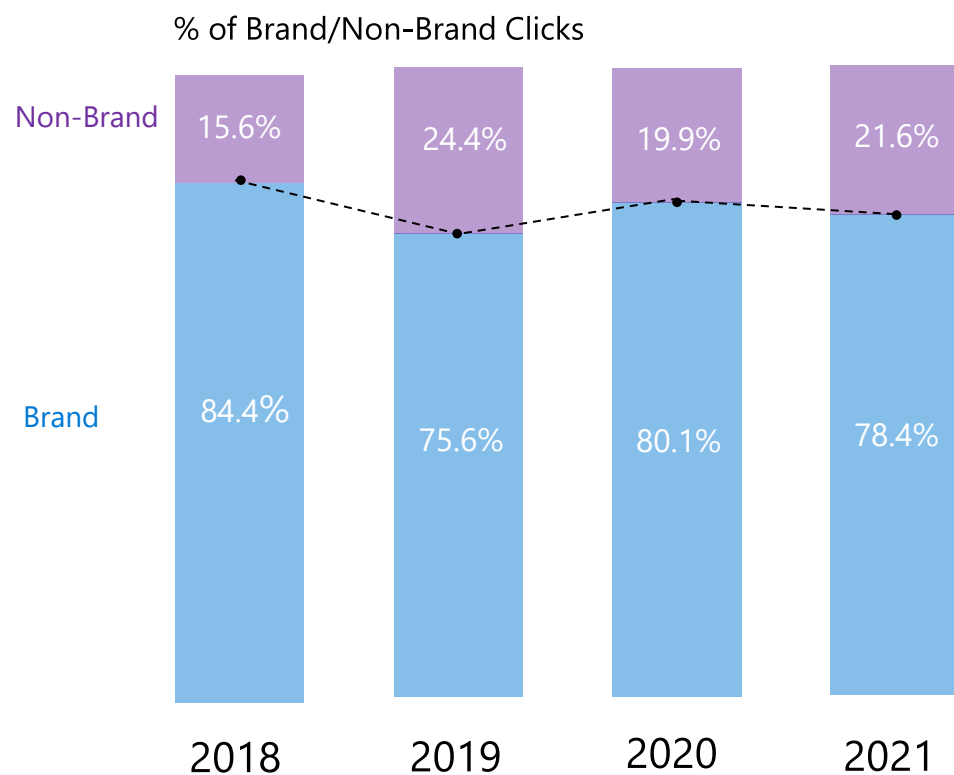


*Single touchpoint path lengths excluded
Source: Bing Ads Internal, Query Pathing February-May 2019, February-July 2020

*Average number of searches per path show **complete return to normalcy**, which was reflected in the overall search declines*



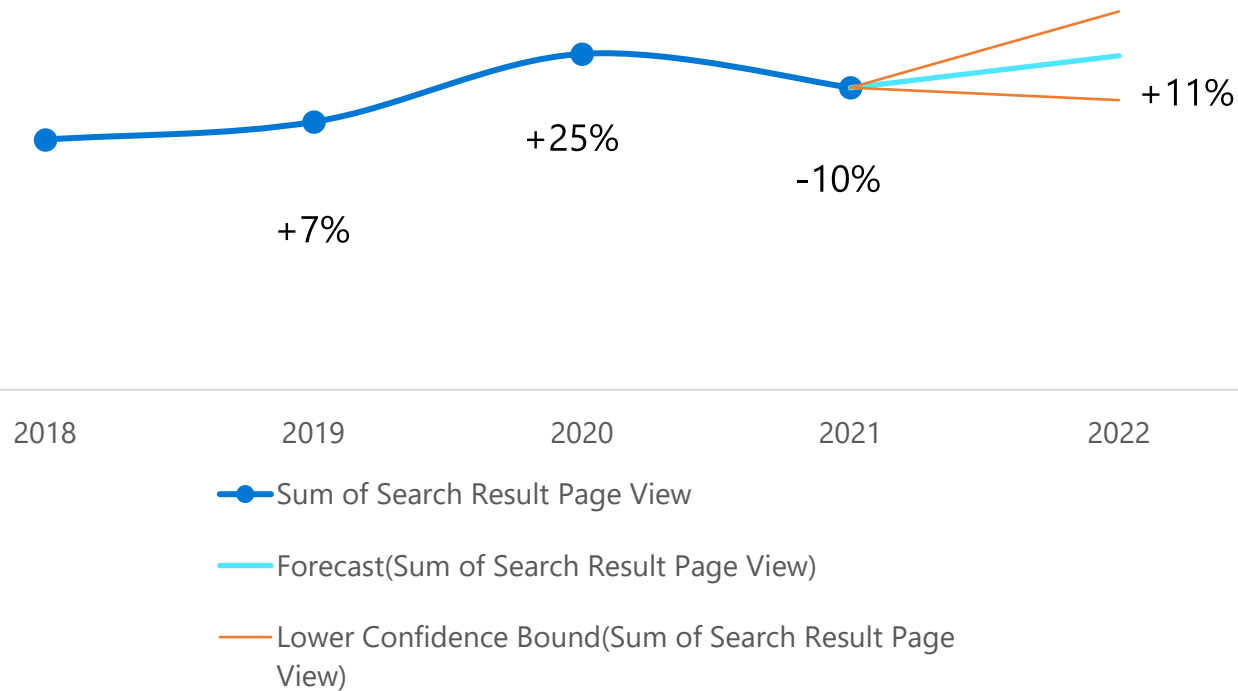
Trends towards more normalized patterns helped boost non-branded impact in click engagements



Last year's non-brand click proportions declined because of the need for official, brand-agnostic information resources.

The increase in non-brand clicks this year shows a [return to non-brand query intentions correlating more often to brand offerings](#).

CY 2022 all up search volume forecasting



While we saw a dip in searches this year, it's primarily due to inflated searches in 2020.

This chart shows historical growth patterns prior to 2020 & expected growth in e-Filers point to [continuation of search growth](#) in 2022.

Key Takeaways

Federal Level E-Filing Softness

Federal forecasting last year predicted flat growth in e-filers. However, actual numbers showed paper filing retained more filers than expected.

Search Journeys Normalizing

While number of days remained long due to the extended season, the number of searches returned to pre-2020 levels.

YoY Search Volume Softness

All these preceding factors culminated into search volume softness, though this is expected to rebound and grow next year.

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