Home & Construction: macro impact and timing
Home & Construction clicks typically align with overall searches

Indexed Home & Construction (H&C) searches and clicks

Source: Microsoft Internal
Holiday season ramps up approximately 4 weeks out from Black Friday
Indexed H&C clicks

Here the ramp begins slightly early at 5 weeks out

Source: Microsoft Internal
There are 3 clear peaks in 2020 for queries containing “Black Friday” or “Cyber Monday”

H&C indexed clicks per year for queries containing “Black Friday” (BF) or “Cyber Monday” (CM)

Contains: Black Friday or Cyber Monday

2018 2019 2020

Although 2018 and 2019 both accelerated 4 days out, only 2020 peaked

However, 2018 and 2019 made up for it on CM

Percent of queries containing “Black Friday” vs. “Cyber Monday”

Note: Despite lockdown orders last year, Black Friday is becoming more important

Source: Microsoft Internal
Smaller events also align year-over-year, with notable peaks on the Mondays prior. H&C indexed clicks per year

In '19, the peak occurred on the day of the event while '21 it occurred a full week prior. '20 was the best of both worlds, reporting highest volumes on the day of and seven days prior.

Looking at the data from a days leading to the event, the lines appear disparate. However, when controlling for day of week, the lines begin to align.

As for Labor Day, day of was peak, a trend that will likely continue into '21.

Source: Microsoft Internal
Weekend searches gradually grow at the expense of weekdays, limiting deviation by day
Home & Garden percent of total searches, clicks, and spend by year (Jan – July)

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As for clicks and spend, Sundays have grown in percent share, and continue to be less costly than other days of the week (as percent of weekly total clicks is higher than percent of weekly total spend)

Source: Microsoft Internal
External factors play a key role as H&C clicks rise in a seller’s market

The decline in price reduction count* and number of active listings available is a sign that supply is not meeting demand, and appears to support a lift in H&C clicks.

*The count of listings which have had their price reduced within the specified geography. The price decrease count represents a typical week’s worth of listings which have had their price reduced in a given month.
There is an inverse relationship between housing price reductions and marketplace clicks.
Consumers may be more inclined to renovate in a seller’s market for one of two reasons:
1) to more comfortably settle into their current home
2) to take advantage of the current market by flipping

Source: Microsoft Internal, Realtor.com

*The count of listings which have had their price reduced within the specified geography. The price decrease count represents a typical week’s worth of listings which have had their price reduced in a given month.
Home Construction & Materials and Furniture subcategories were most correlated with price reduction count

Correlation of H&C subvertical to price reduction count (those below .65 not listed)

- **.76**: Home Construction & Materials
- **.75**: Furniture
- **.68**: Lighting
- **.66**: Home Appliances

Source: Microsoft Internal, Realtor.com

*The count of listings which have had their price reduced within the specified geography. The price decrease count represents a typical week’s worth of listings which have had their price reduced in a given month.
July 2021 Monthly Housing Market Trends Report: new listings rise 6.5% as more smaller homes hit the market
Excerpts from Realtor.com’s monthly trends report

Inventory by size tier

Share of 750 - 1,750 sq ft homes increased from 30.2% in July 2020 to 36.3% in July 2021.

The shift to smaller homes may be an opportunity for retailers to cater messaging to small space décor and renovation plans that maximize space.

Source: Microsoft Internal, Realtor.com
Searches and clicks for H&C queries containing “small space” have grown 62% and 68% year-over-year, respectively.

Top searched queries containing “small space”:

- couches sofas small spaces
- sectional sofa small spaces
- small spaces comfortable sofa beds
- small spaces living room furniture
- small recliners small spaces
- recliners small spaces
- couches sofas small spaces low budget
- kitchen tables small spaces
- drop leaf tables small spaces
- dinette sets small spaces
- side tables small spaces

Source: Microsoft Internal
When looking for “small” room inspiration, bathrooms are searched most

Indexed searches for “small {room} ideas” through 8/22/21, exact match only

Source: Microsoft Internal, Realtor.com
When preparing for the smaller promotional events, plan and budget for highest activity to occur on the Monday prior through the Monday post.

When it comes to events, the day of week is more important than the number of days out from an event; the event may yield more clicks if it falls closer to the start of the week.

Adjust budgets to accommodate expected changes in traffic and implement ad extensions and keywords that highlight “Black Friday” specific deals.

H&C searches and clicks tend to grow in a seller’s market, especially across the Home Construction & Material and Furniture subcategories.

Small boost to net new listings driven by smaller homes.

Users are more likely to search for “Black Friday” vs. general “deals” or “Cyber Monday”

Track external trends to inform campaign management.
Test budget adjustments during Seller’s and Buyer’s markets
Implement keywords and messaging that cater to small space décor and renovations that maximize the layout, especially for bathrooms.
To get actionable data, insights and best practices to help make decisions and grow your business, visit MicrosoftAdvertising.com/Insights