



MICROSOFT ADVERTISING INSIGHTS

Spain Retail festive season insights

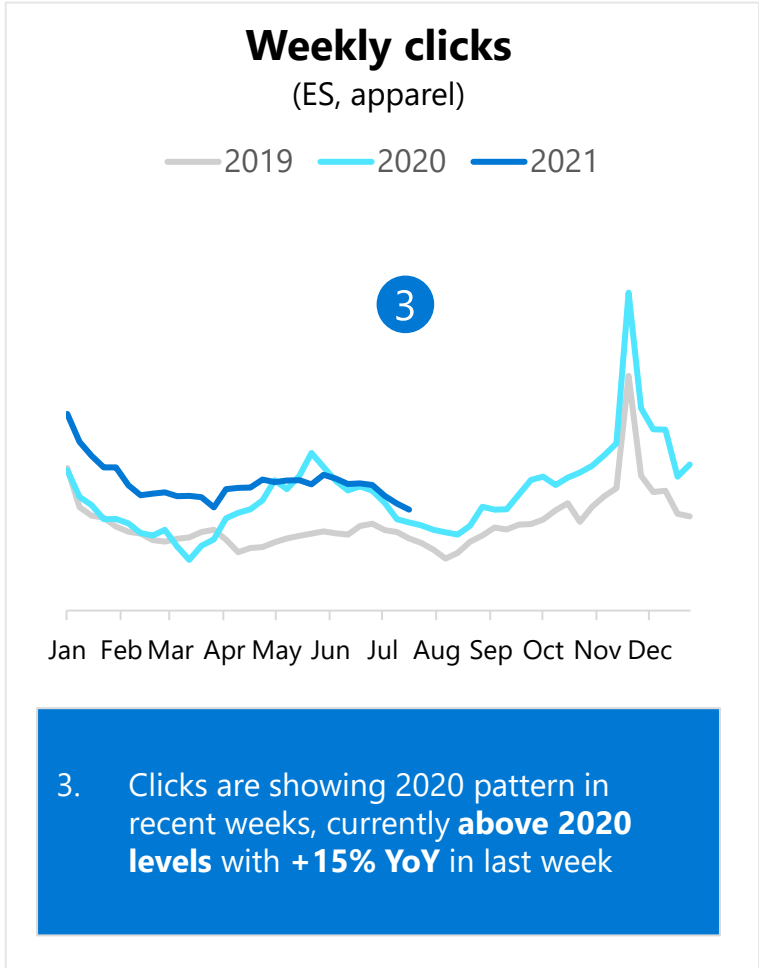
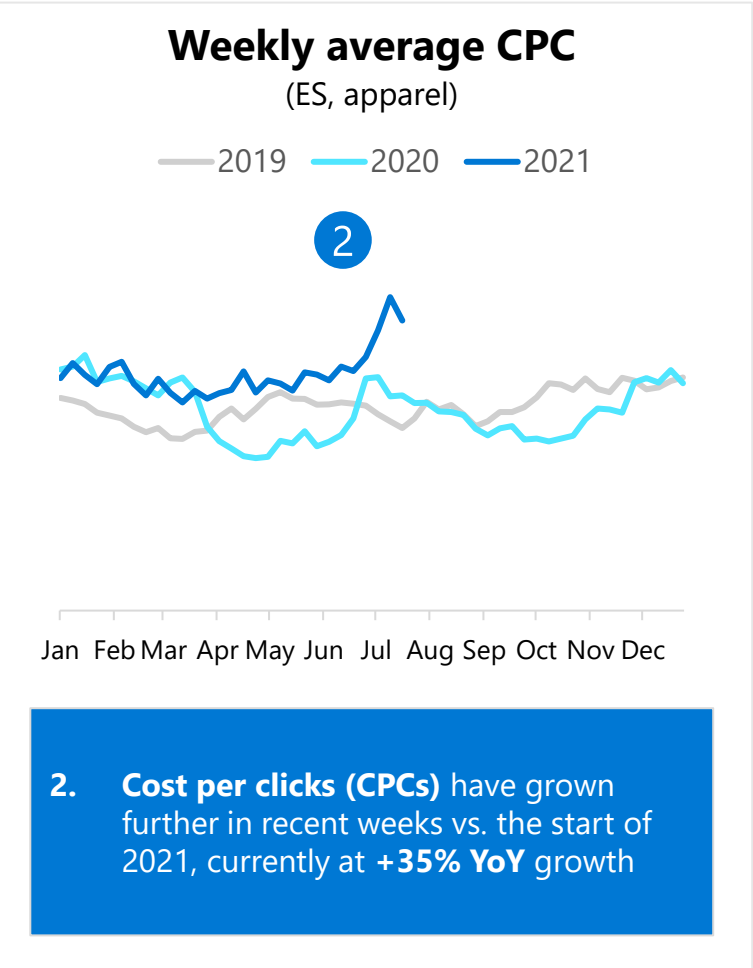
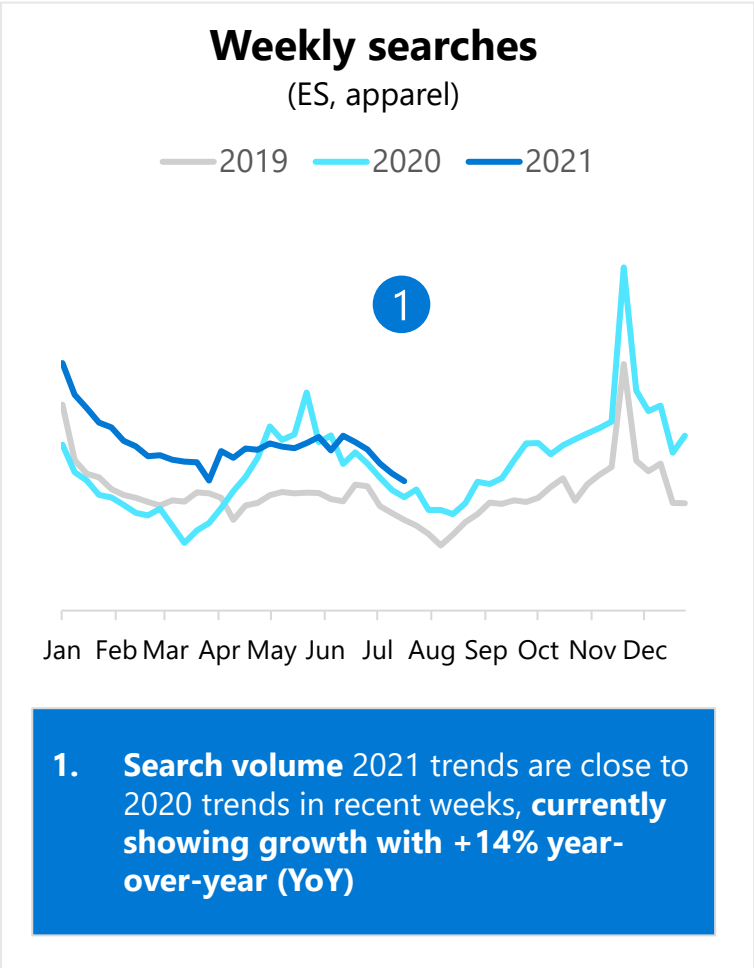
Microsoft Advertising. Great relationships start here.



2021 year-to-date trends: Apparel



Consumer interest is slightly above 2020 levels in recent weeks

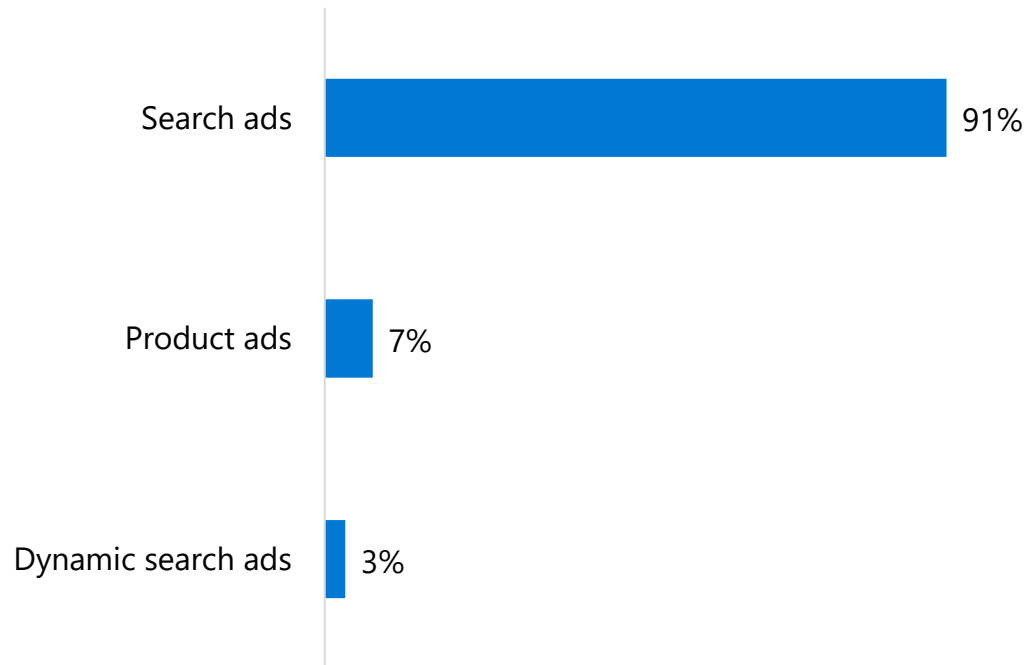


Source: Microsoft internal, market performance on owned and operated network, ES, Retail – Apparel query categories, 2019-2021

New ad formats are getting traction

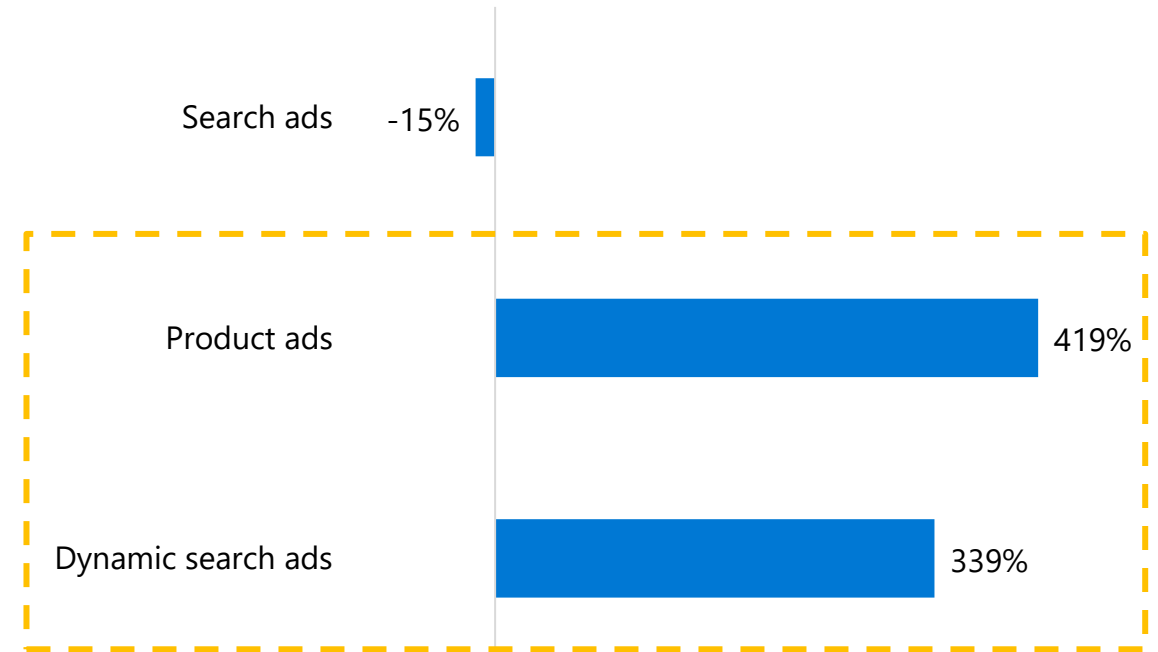
Ad type share of clicks 2021 year-to-date (YTD)

(ES, Apparel & Accessories advertisers)



Ad type clicks YoY growth 2021 year-to-date (YTD)

(ES, Apparel & Accessories advertisers)

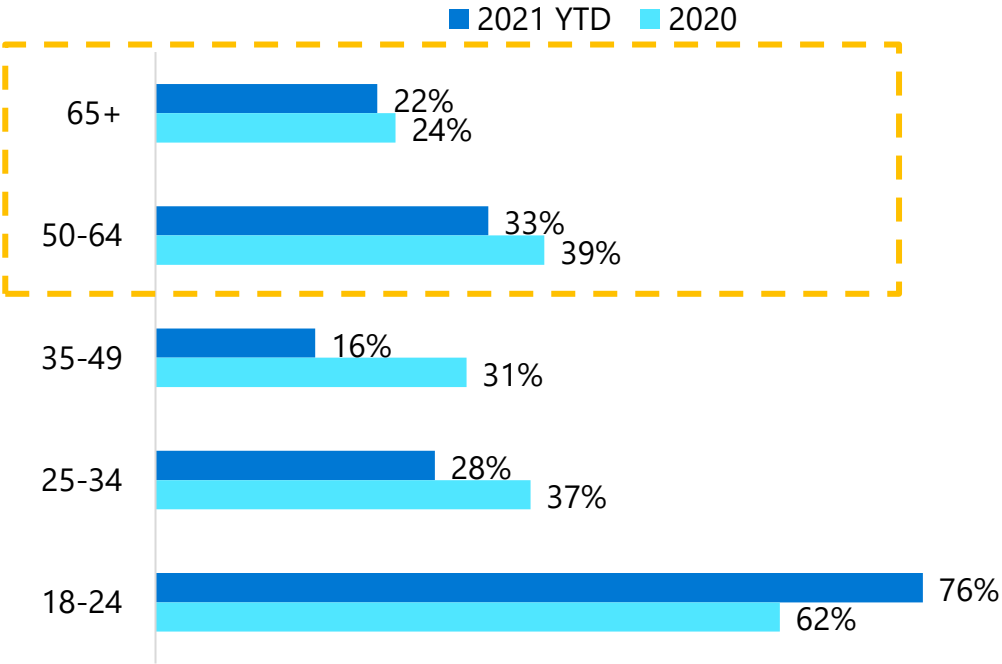


*) Numbers might not add up due to rounding

Source: Microsoft internal, based on advertiser accounts labelled as Apparel & Accessories , ES, 2021 Jan - Aug

Higher age groups are growing in line with average

YoY change in clicks by age group
(ES, Apparel)



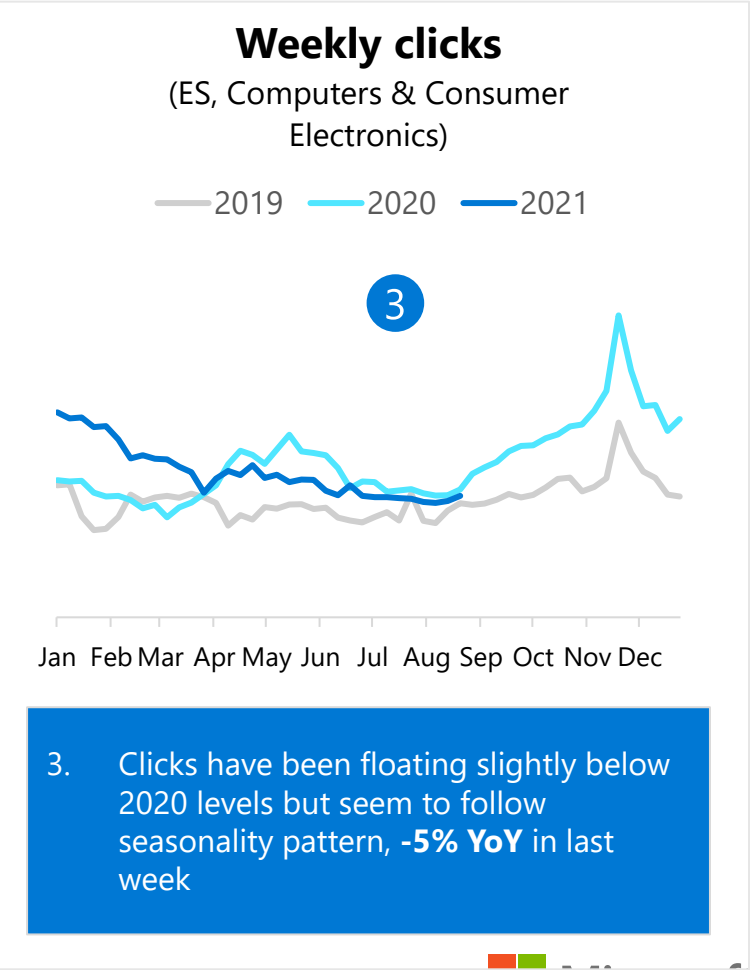
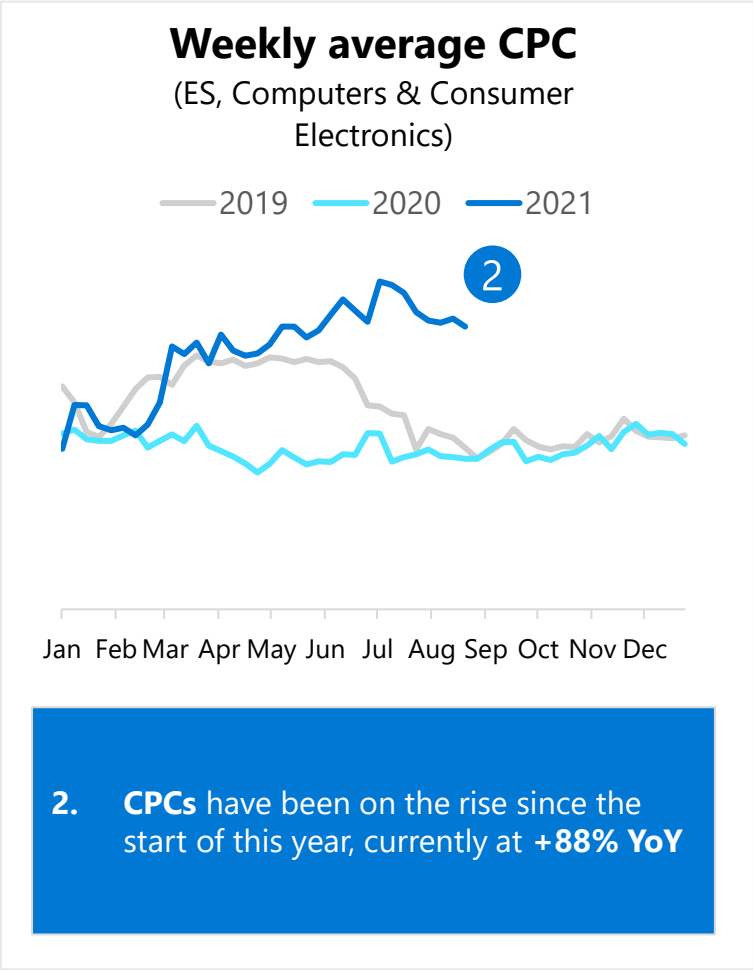
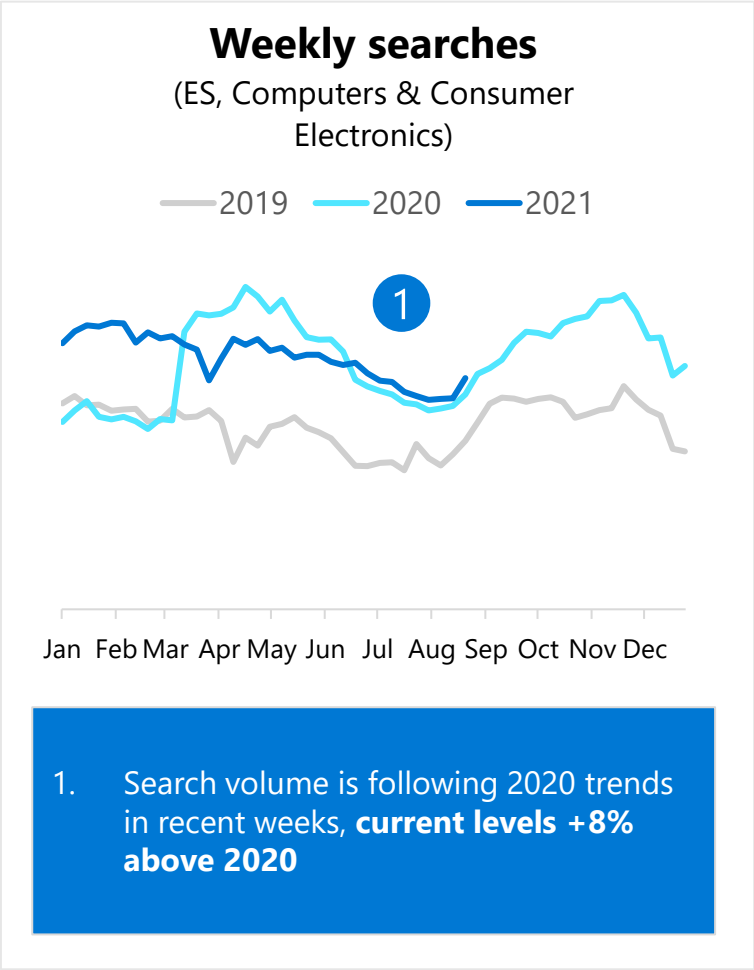
Source: Microsoft internal, market performance on owned and operated network, ES, Retail – Apparel query categories, 2019-2021



2021 year-to-date trends: Computers & Consumer Electronics



2020 volumes are maintained in recent weeks



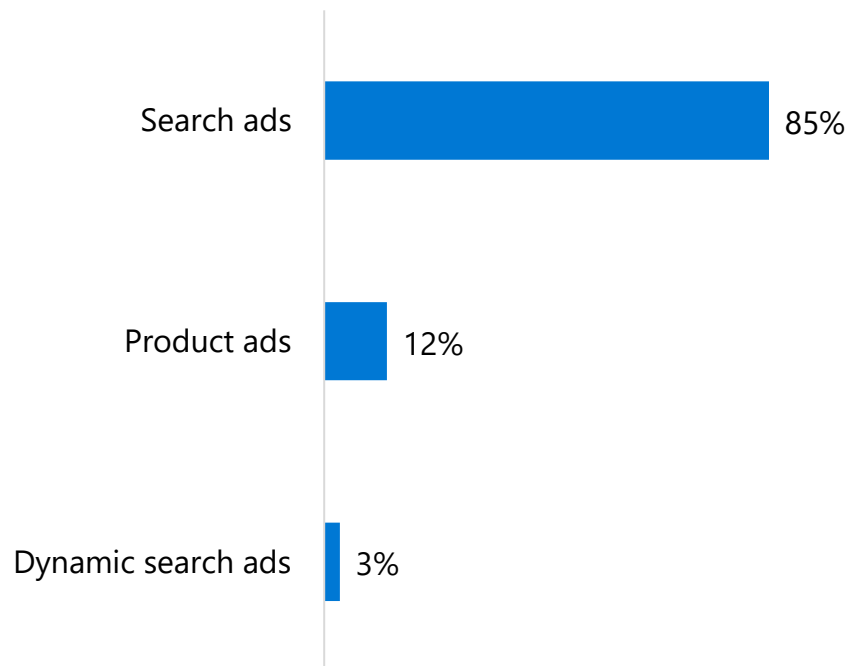
Source: Microsoft internal, market performance on owned and operated network, ES, Retail – Computers & Consumer Electronics categories, 2019-2021



New ad formats are taking off

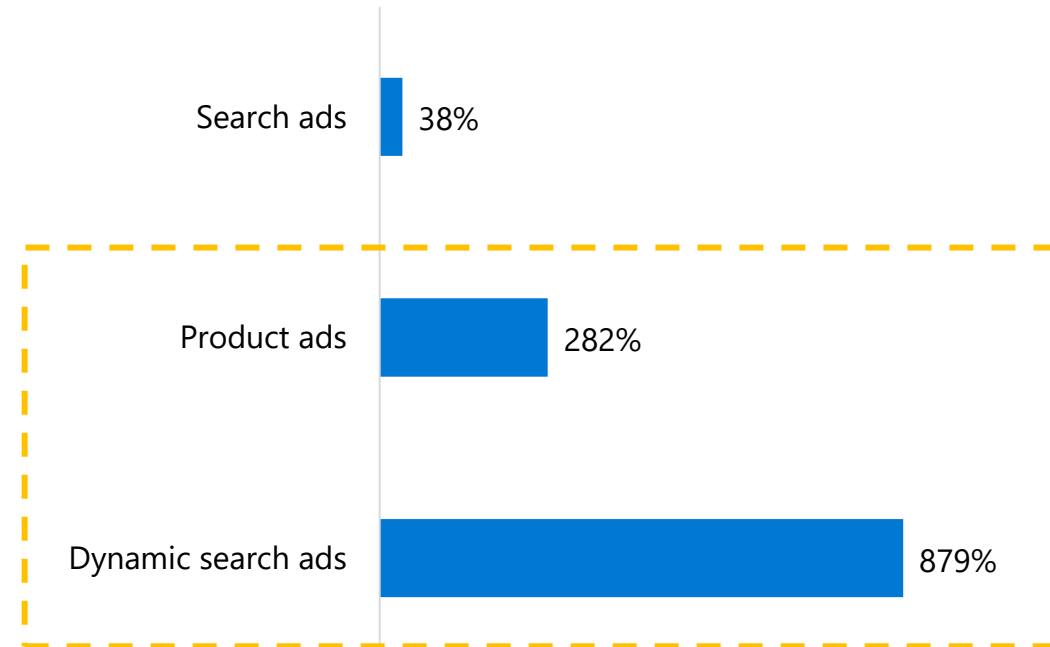
Ad type share of clicks 2021 YTD

(ES, Consumer Electronics advertisers)



Ad type clicks YoY growth 2021 YTD

(ES, Consumer Electronics advertisers)



*) Numbers might not add up due to rounding

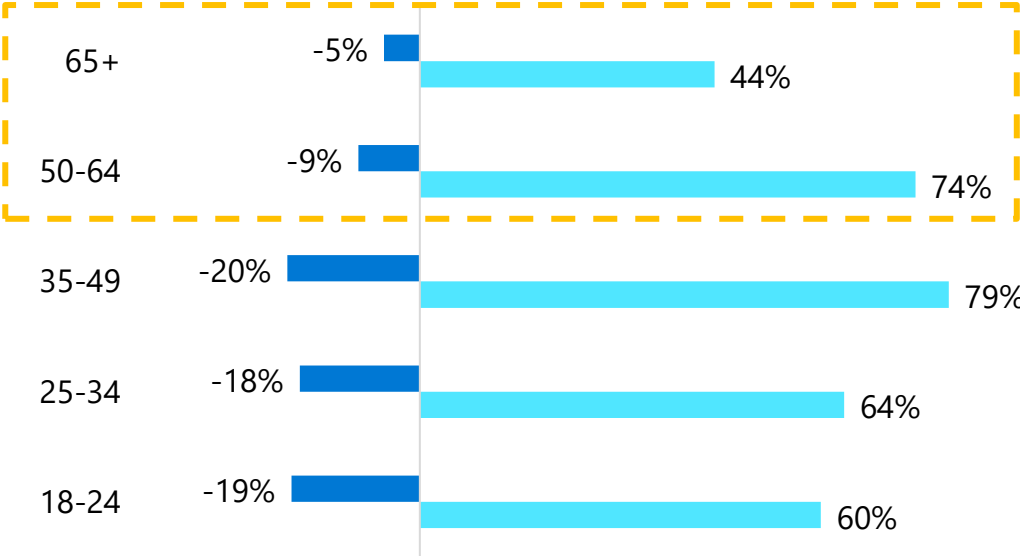
Source: Microsoft internal, market performance on owned and operated network, ES, Retail – Consumer Electronics advertisers, 2020-2021 (up till August)

Higher age groups are increasingly active online

YoY change in clicks by age group

(ES, Computers & Consumer Electronics)

■ 2021 YTD ■ 2020

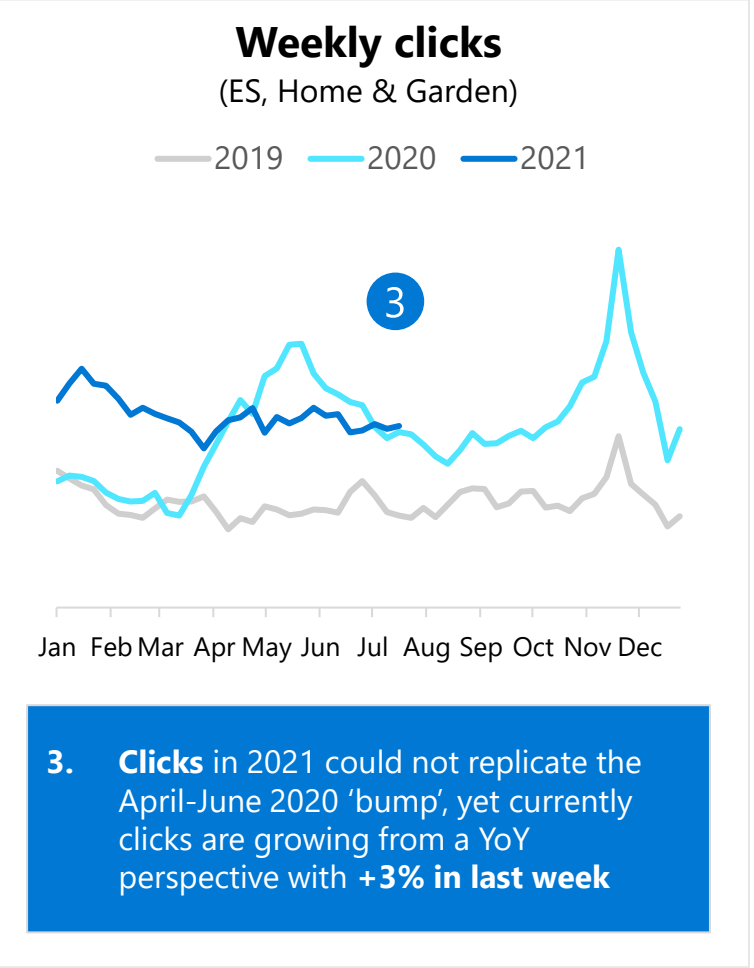
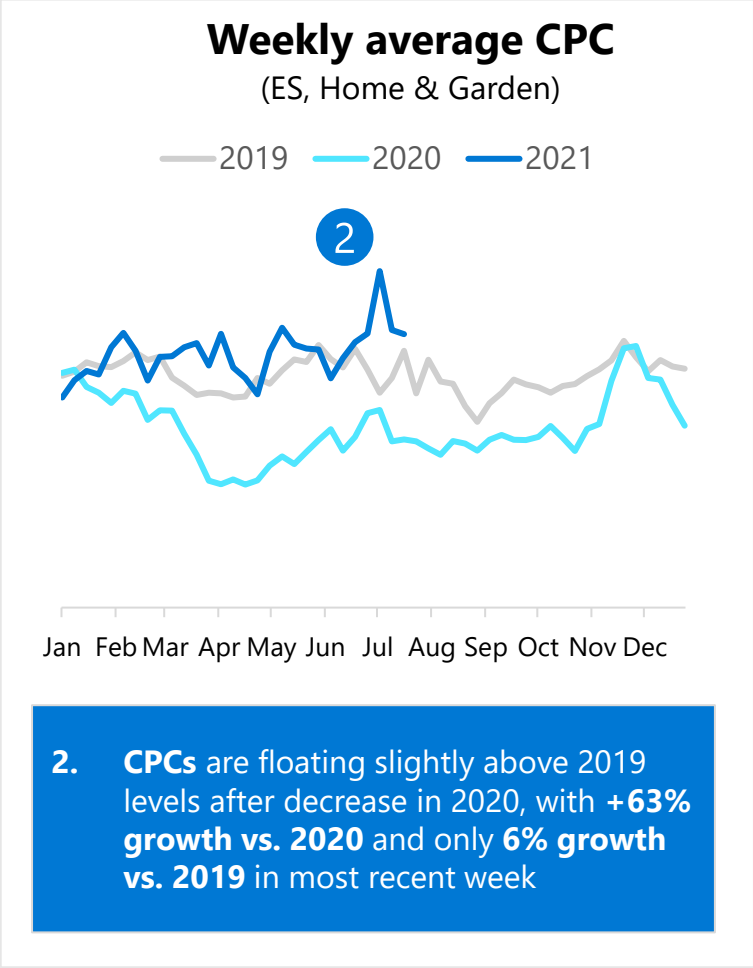
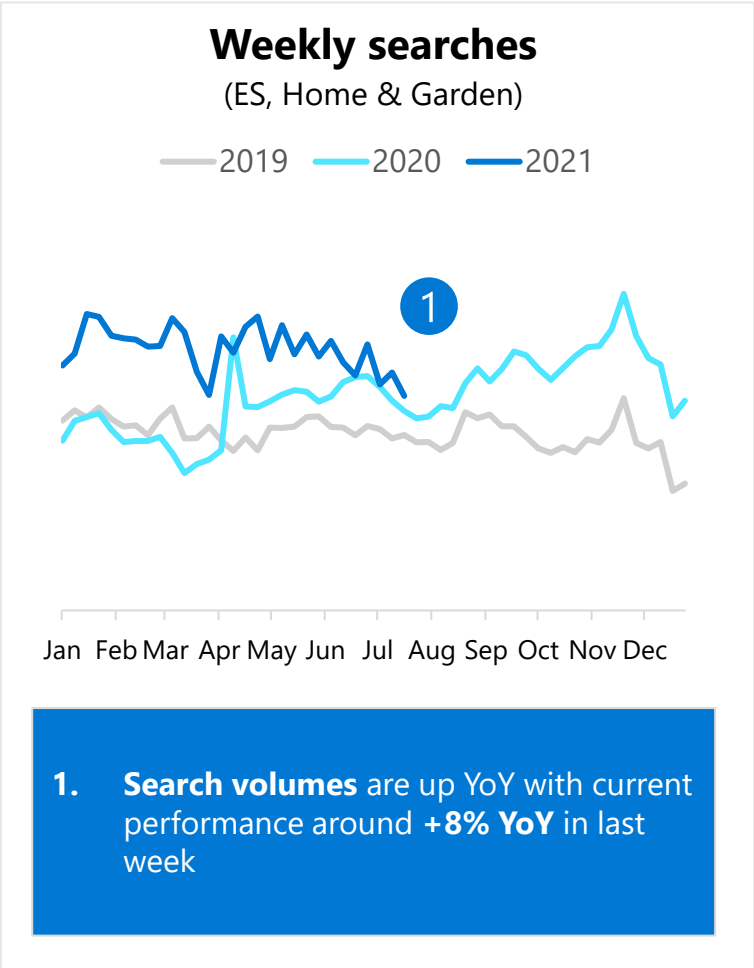


Source: Microsoft internal, market performance on owned and operated network, ES, Retail – Computers & Consumer Electronics query categories, 2019-2021

2021 year-to-date trends: Home & Garden



Clicks in recent week are matching 2020 levels again

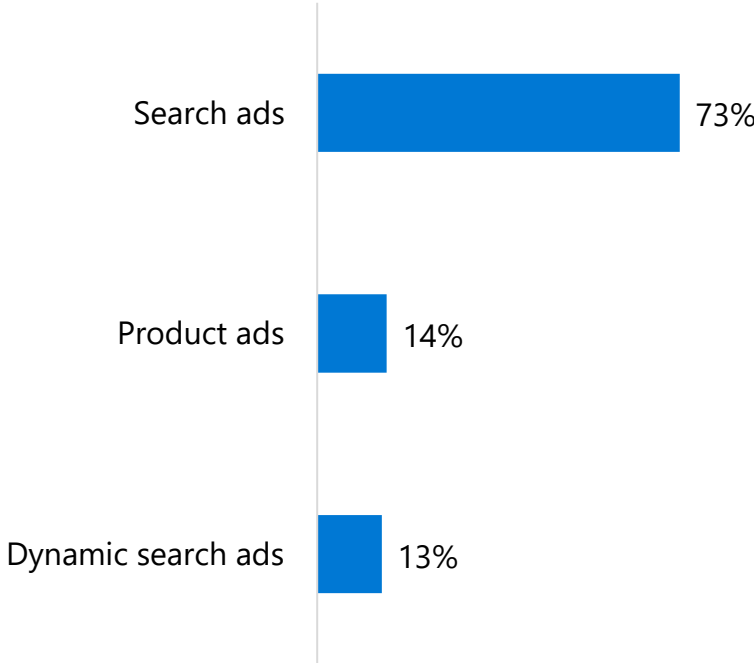


Source: Microsoft internal, market performance on owned and operated network, ES, Retail – Home & Garden categories, 2019-2021

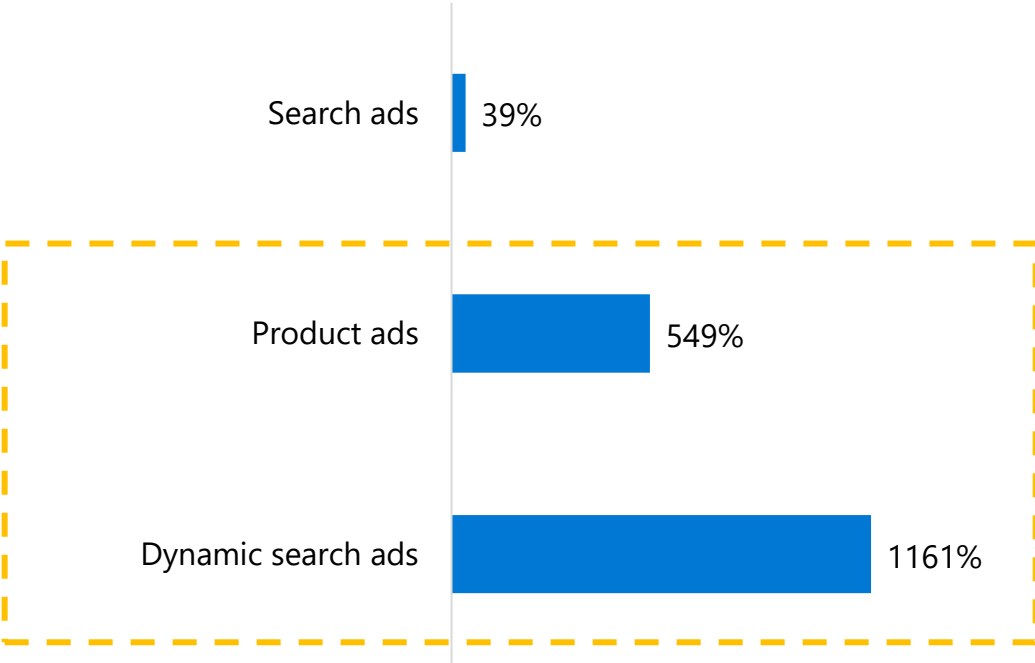


New ad formats driving category growth as consumers increasingly interact with them

Ad type share of clicks 2021 YTD
(ES, Home & Garden advertisers)



Ad type clicks YoY growth 2021 YTD
(ES, Home & Garden advertisers)



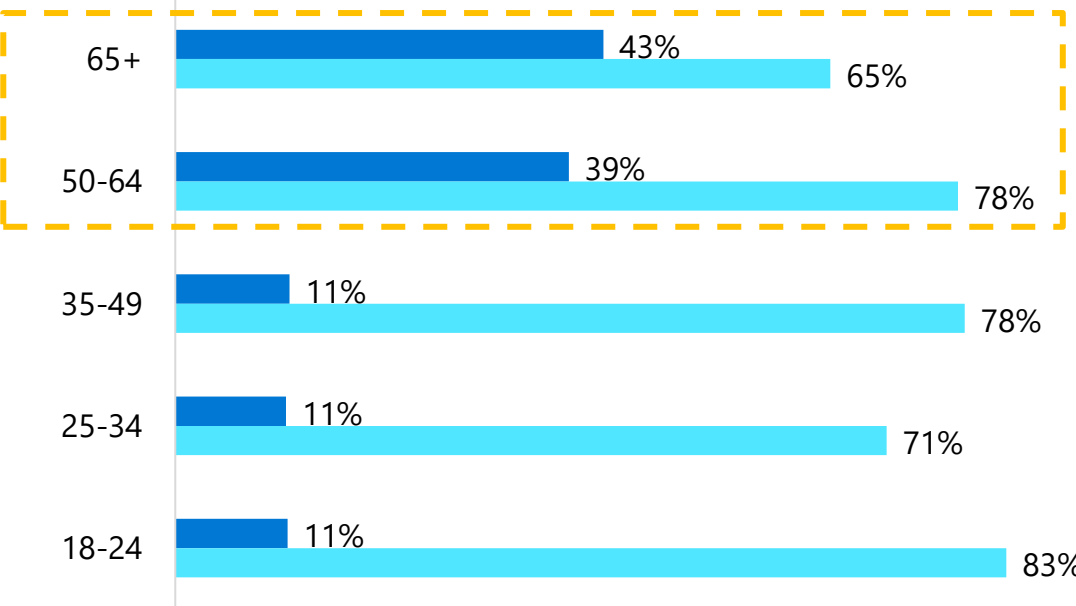
*) Numbers might not add up due to rounding
Source: Microsoft internal, market performance on owned and operated network, ES, Retail – Home & Garden categories, 2019-2021



Higher age groups are outpacing average growth

YoY change in clicks by age group
(ES, Home & Garden)

■ 2021 YTD ■ 2020



Source: Microsoft internal, market performance on owned and operated network, ES, Retail – Home & Garden categories, 2019-2021



Focus on Black Friday 2020



Prime Day not occurring in October may lead to additional Black Friday sales

Retail calendar November – December 2021

| NOVEMBER 2021 | | | | | | |
|---------------|----|----|----|----|----|----|
| S | M | T | W | T | F | S |
| | 1 | 2 | 3 | 4 | 5 | 6 |
| 7 | 8 | 9 | 10 | 11 | 12 | 13 |
| 14 | 15 | 16 | 17 | 18 | 19 | 20 |
| 21 | 22 | 23 | 24 | 25 | 26 | 27 |
| 28 | 29 | 30 | | | | |

| DECEMBER 2021 | | | | | | |
|---------------|----|----|----|----|----|----|
| S | M | T | W | T | F | S |
| | | | 1 | 2 | 3 | 4 |
| 5 | 6 | 7 | 8 | 9 | 10 | 11 |
| 12 | 13 | 14 | 15 | 16 | 17 | 18 |
| 19 | 20 | 21 | 22 | 23 | 24 | 25 |
| 26 | 27 | 28 | 29 | 30 | 31 | |

- 26** Black Friday
- 29** Cyber Monday
- Black Friday Week

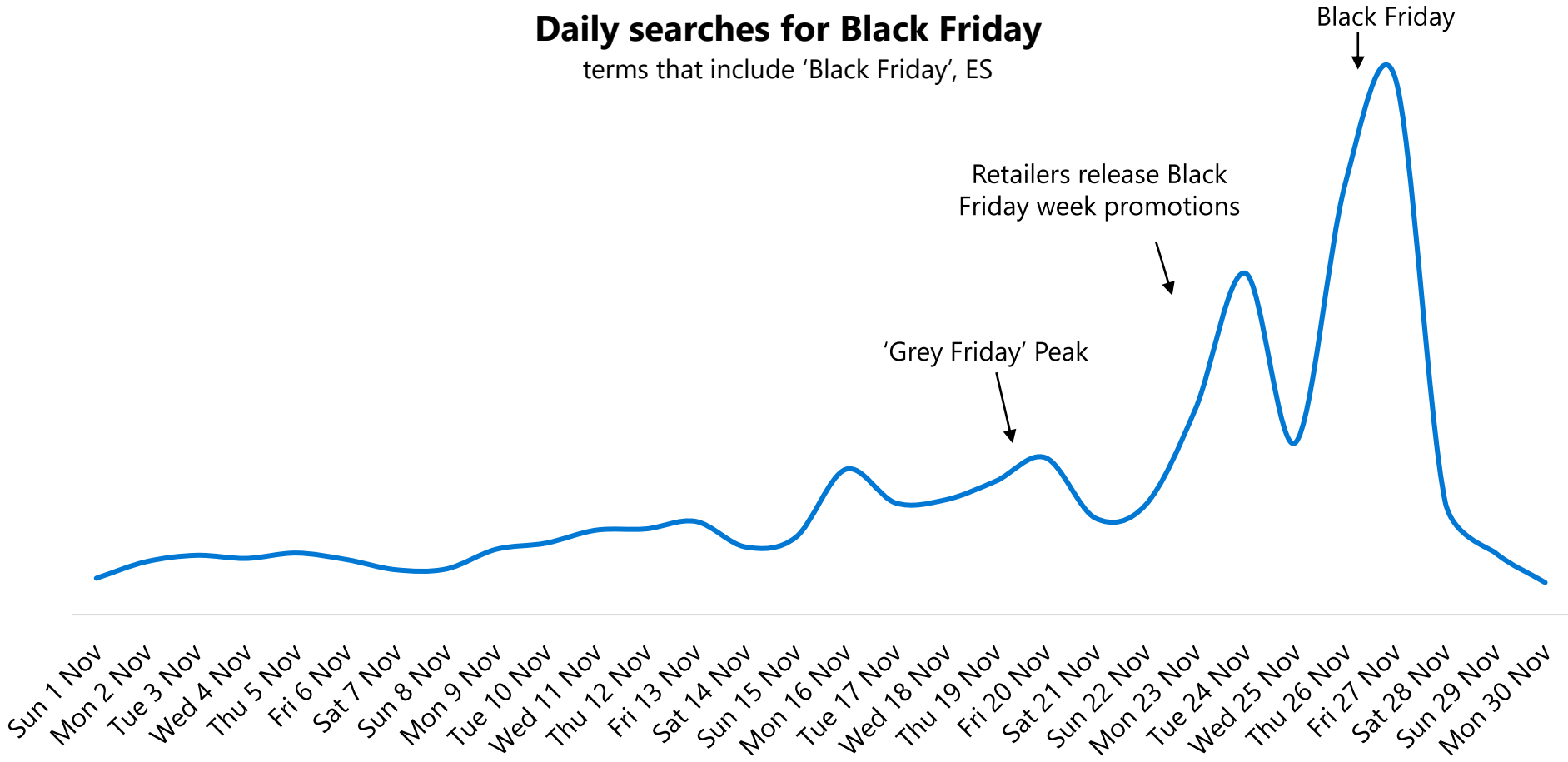
- 24** Christmas Eve
- 25** Christmas Day

The runup to Black Friday is expected to show increasing search volumes, as promotions get released by Retailers.

Consumers shopping for Christmas will continue to drive increased search volumes in the first weeks of December.

Amazon Prime Day will not happen in October this year, which potentially will drive consumers to shop more during Black Friday

Black Friday interest started to accelerate in mid-November



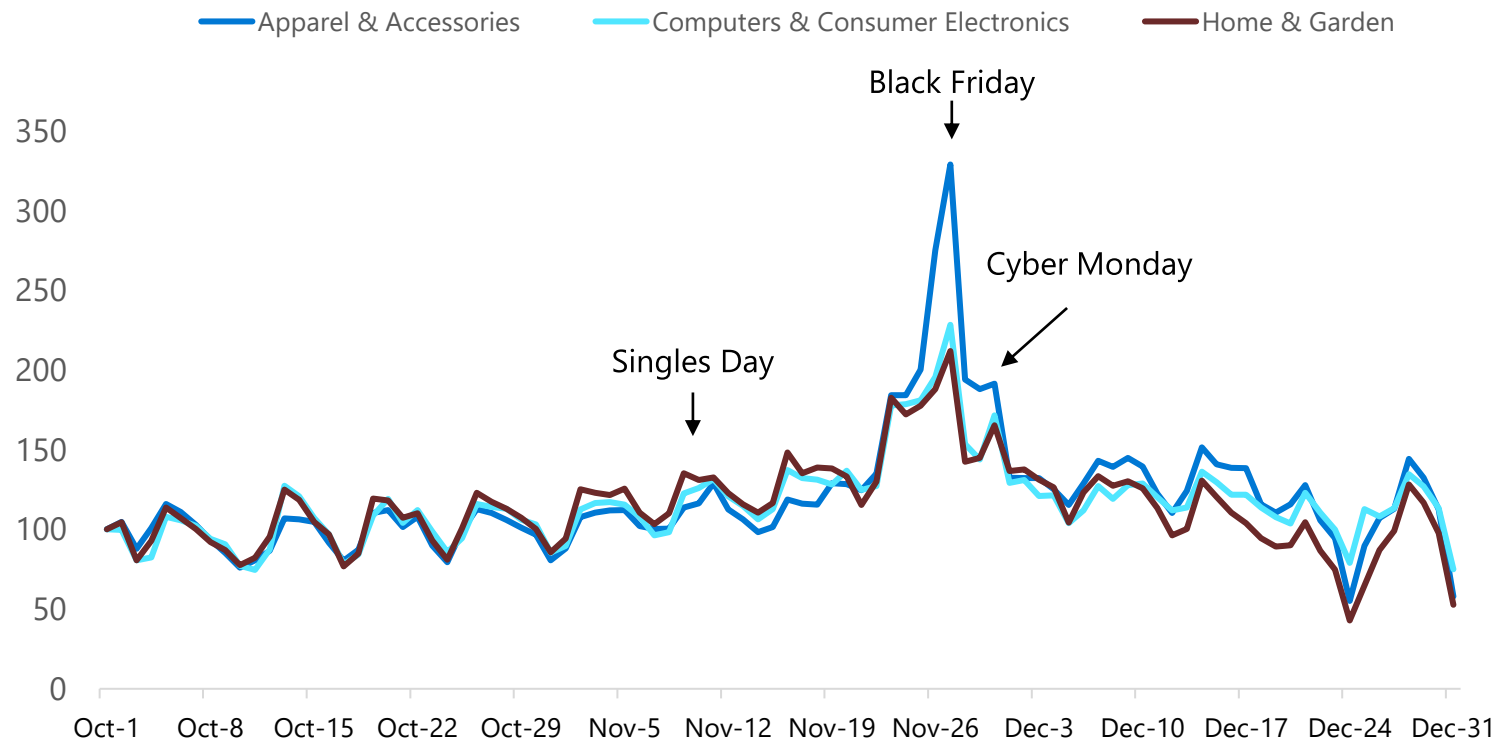
Source: Microsoft internal, market performance on owned and operated network, ES, searches that include 'black friday', November 2020



Apparel shows the highest acceleration towards Black Friday

Daily clicks indexed – festive season 2020

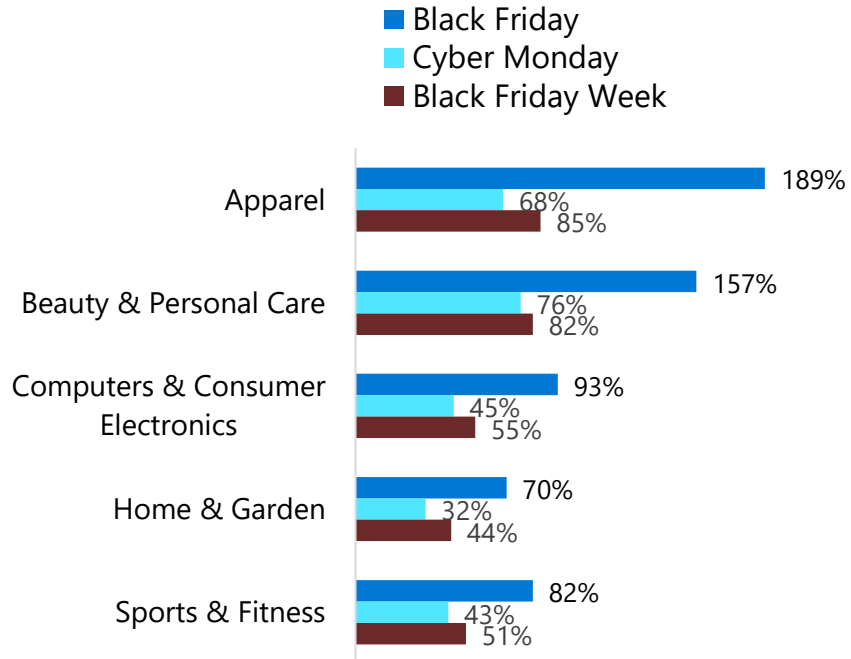
(ES)



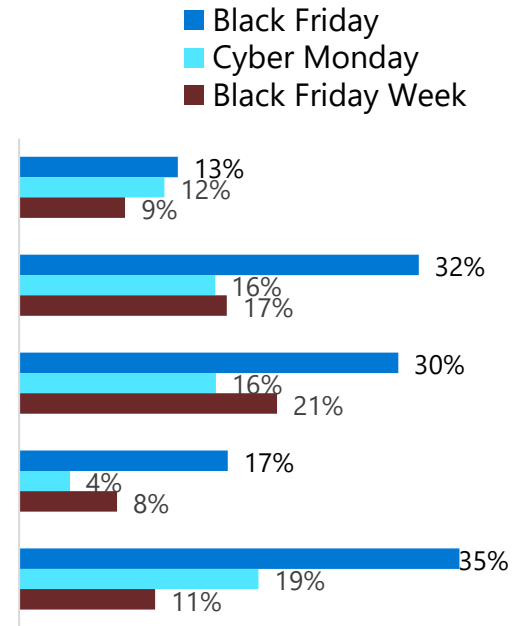
- **Apparel:** Data suggests consumers for this category are focusing their attention on Black Friday itself, showed by acceleration during Black Friday week and Black Friday
- **Computers & Consumer Electronics:** Consumer interest starts growing steadily in November, lifting during Black Friday week with peak on Black Friday and Cyber Monday uptick
- **Home & Garden:** We see anticipation growing in November with strong growth during Black Friday period

As Black Friday approaches, consumers interact more with ads

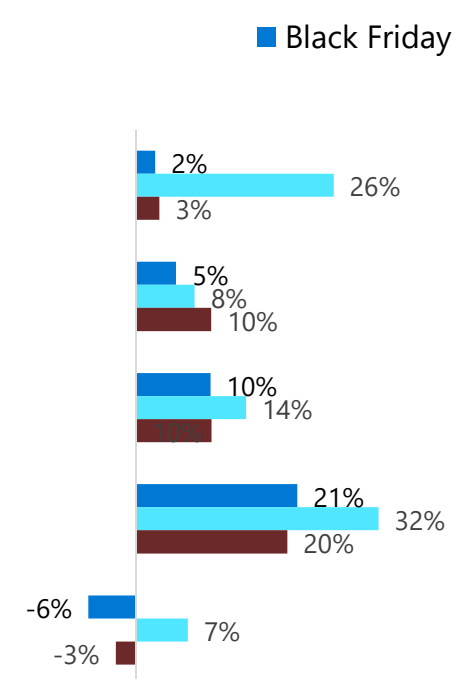
Average daily click uplift



Average click-thru-rate (CTR) uplift



Average CPC uplift



1 Black Friday especially strong for Apparel

2 People increasingly click on ads to find promotions

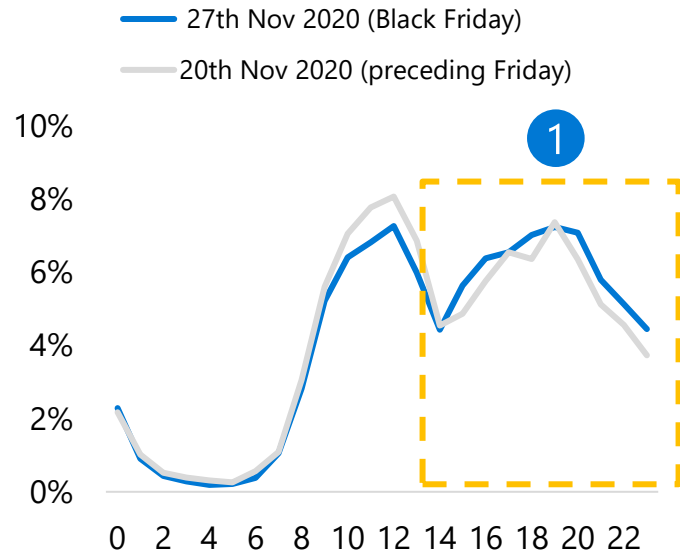
3 CPCs generally go up as competition increases

*) Uplift measured by comparing Black Friday average performance, Cyber Monday average performance and Black Friday week average performance to average daily performance in first 3 weeks
November Source: Microsoft internal, Bing Search and Yahoo Search, ES, Q4 2020

Activity increases later at night

Share of clicks by hour

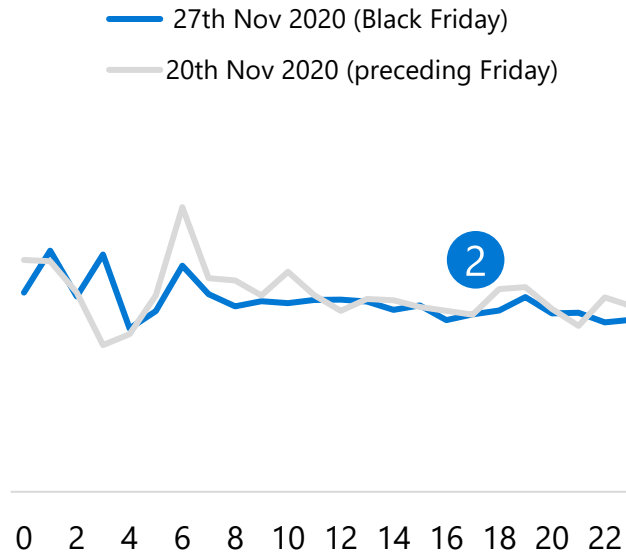
(ES, Apparel)



1. **Click activity** stretches into the late hours, ensure enough budget to capture demand later in the day

Average CPC by hour

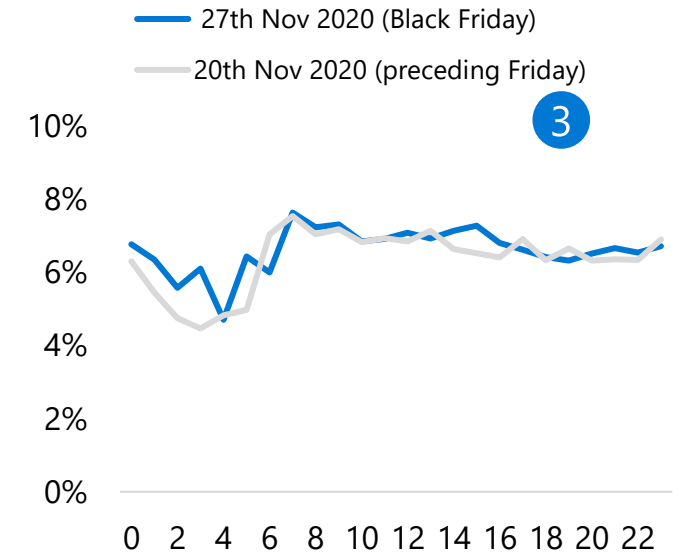
(ES, Apparel)



2. **CPCs** are mainly stable during the day

Average CTR by hour

(ES, Apparel)

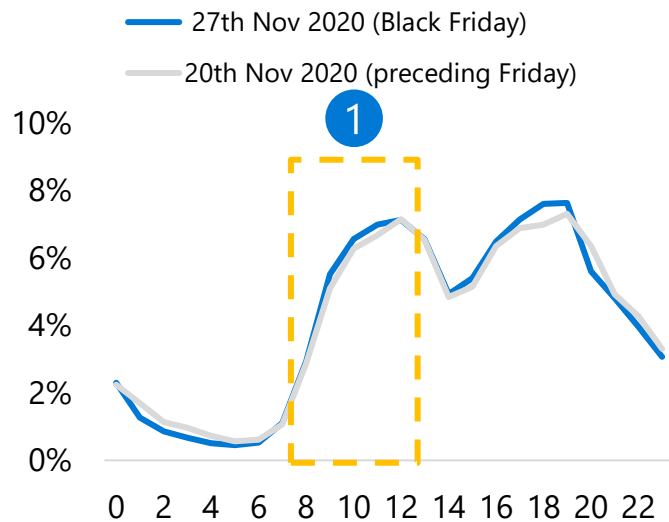


4. **CTRs** during Black Friday had similar pattern compared to preceding Friday

Black Friday starts off with early deal hunters

Share of clicks by hour

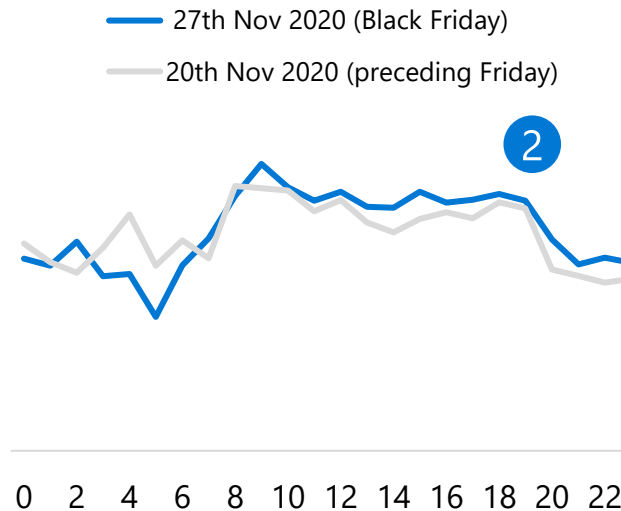
(ES, Computers & Consumer Electronics)



1. Slightly increased **click activity** might mean that bargain hunters are more **active in the morning**

Average CPC by hour

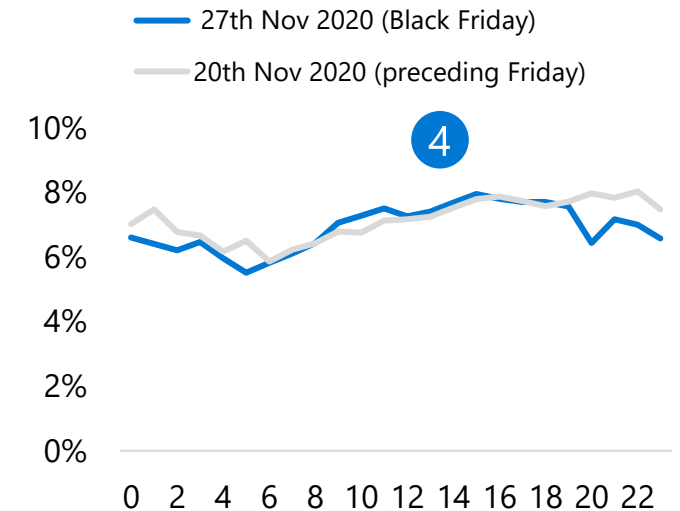
(ES, Computers & Consumer Electronics)



2. **CPCs** seems to follow a similar trend as preceding Friday

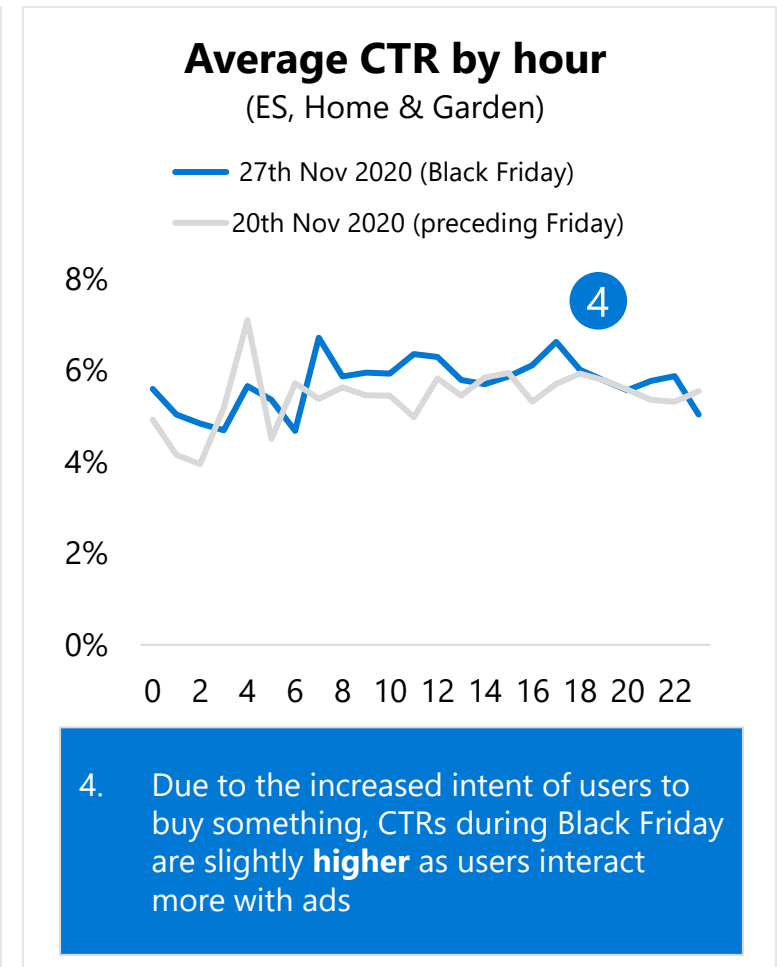
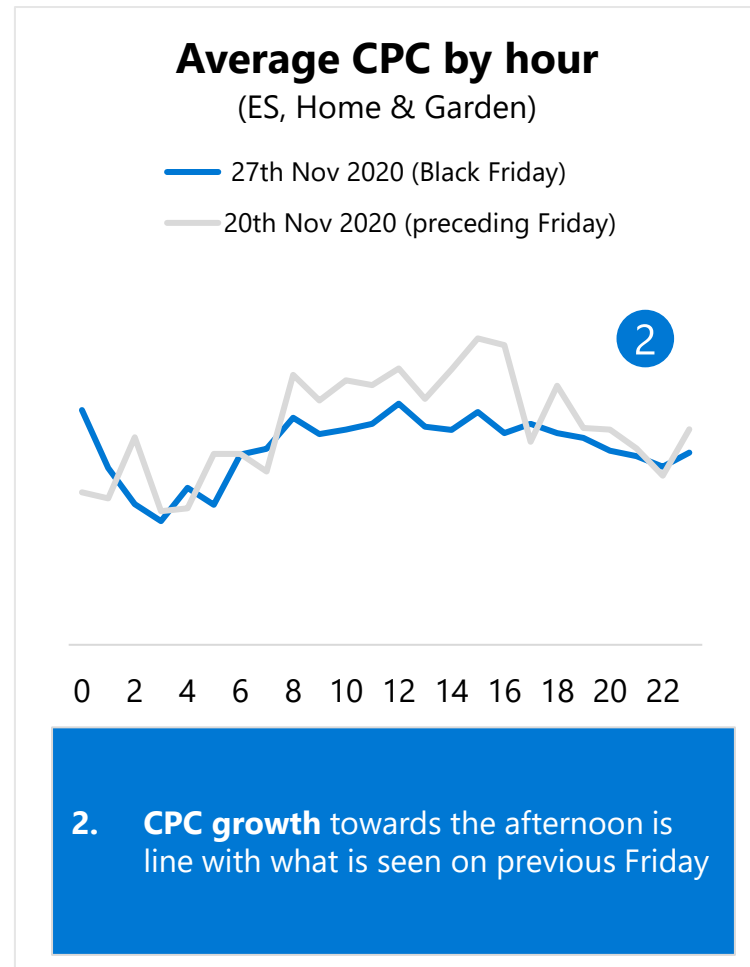
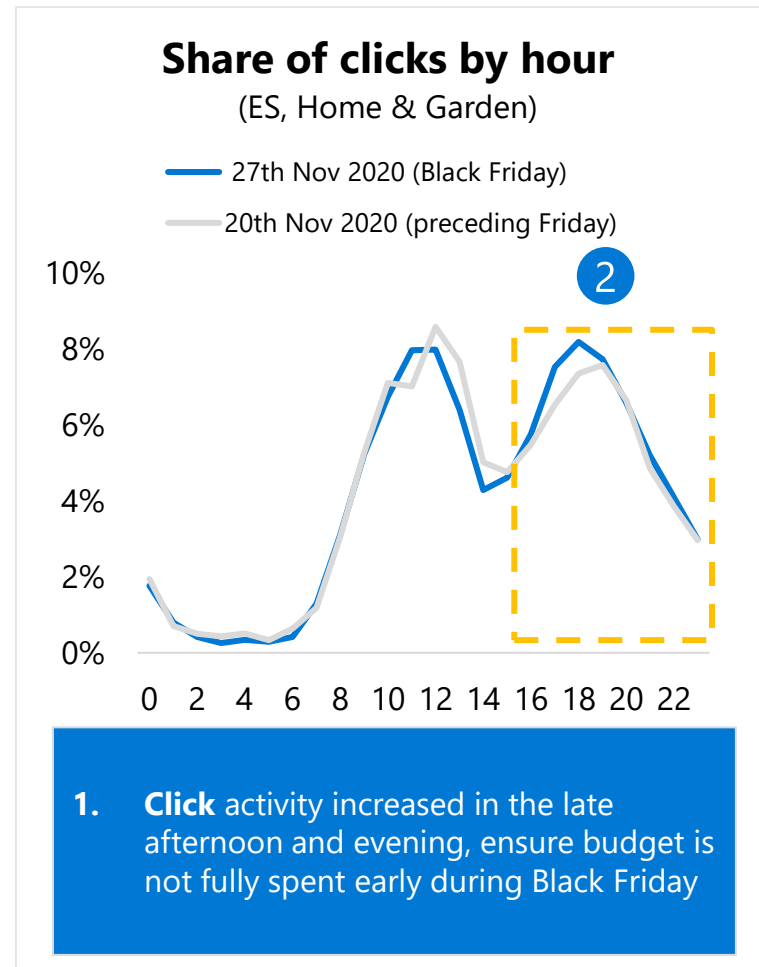
Average CTR by hour

(ES, Computers & Consumer Electronics)



3. **CTRs** seem to follow a pattern that is generally equal to the preceding Friday, levelling off towards the end of day

Activity increased later in the day, ensure enough budget to capture second surge



Festive season **recommended preparations**



Reserve **enough budget** to ensure visibility throughout the holiday season



Start **influencing early** as demand heats up



Check **bid modifiers** to capture volume during Black Friday period



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