



MICROSOFT ADVERTISING INSIGHTS

Australia end of year car sales opportunity

Microsoft Advertising. Great relationships start here.



Key drivers

- Reduced car loan rates
- High household savings
- Imports up +16% compared to 2019 in August as per rolling 12-month change²
- Opening of interstate travel and desire to take family road trips
- Extension of Instant asset write off scheme to June 2022

Roadblocks

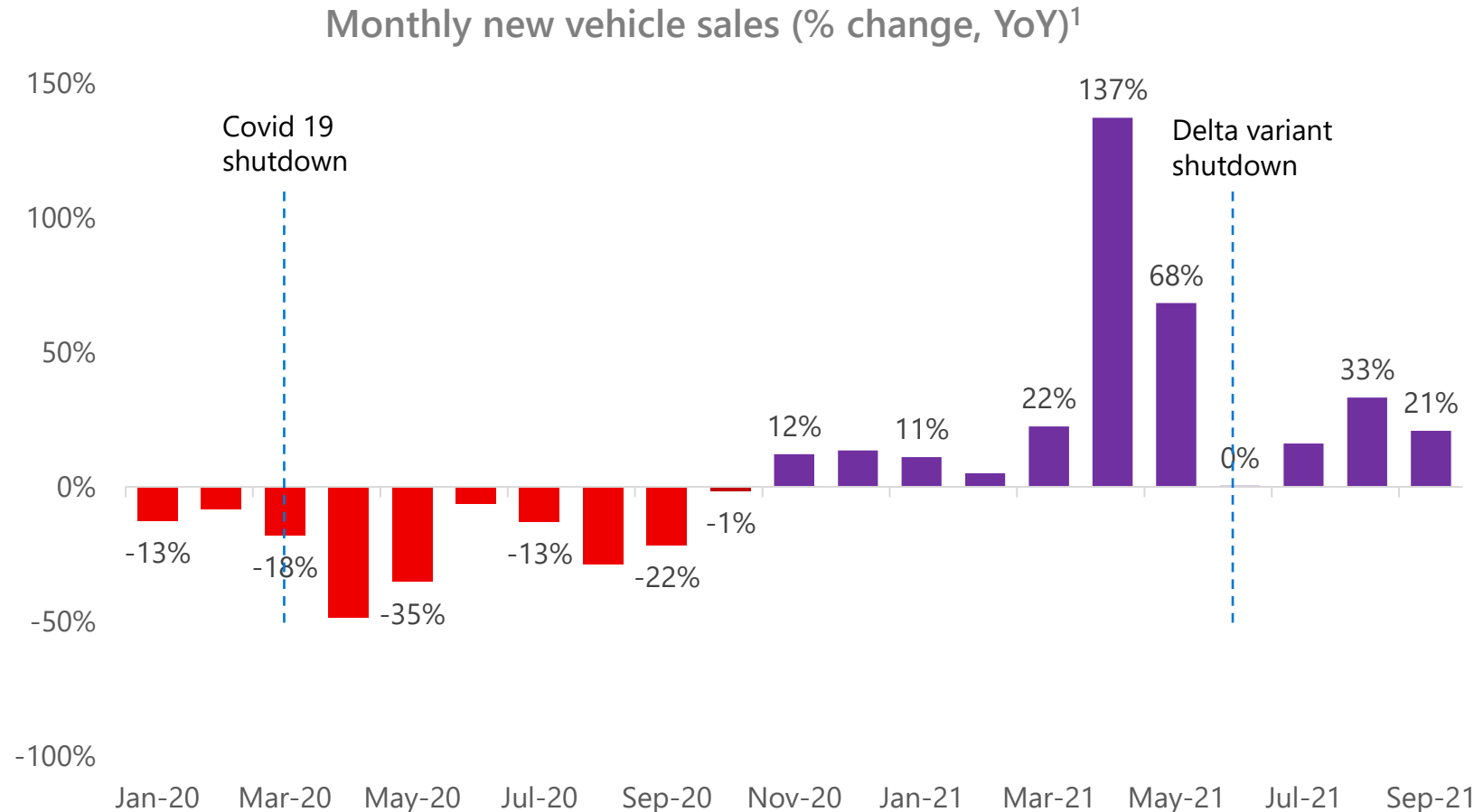
- Car production has declined in major production countries like Japan, South Korea, US, UK and Germany²

Source:

1. Federal Chamber of Automotive Industries, Australia
2. Datium insights, [Link](#)

Demand for new cars remains strong amidst global supply shortages

In September 2021, new car sales increased by +21% year-over-year (YoY)¹



Car buyers research online and are ready for in-person purchases



Pro tip

Combine your remarketing plan with broad match strategically to stay connected throughout the customer journey.



62%

Car buyers start their journey online¹



79%

will prefer to acquire their next vehicle in person²



59%

will acquire it from authorized dealer²

(applicable to people who prefer virtual over in person purchase)

Source :

1 Connect with the new digital car buyer- Oct 2020, Autotrader, Gumtree cars

2 Global Automotive consumer study 2021, Deloitte, [Link](#)

Be prepared for increased demand during November and December months

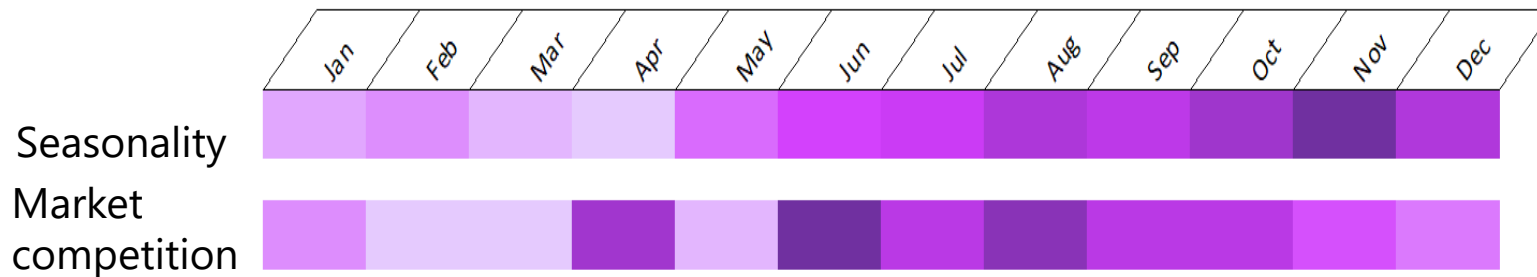
In November 2020,



Clicks surged by **+12%** month-over-month (MoM)



Searches **+7%** month-over-month (MoM)



20K more cars were sold in November-December 2020 compared to May-June of the same year²

There is a strong opportunity to capture the increase in demand during the end of calendar year

In September 2021, searches and clicks surged by **+84%** and **+22%** respectively, compared to 2019

Make sure to increase your **budgets 1-2 month prior** to peak seasonality, to capture the surge in clicks at cost effective cost per clicks (CPCs)



Source :

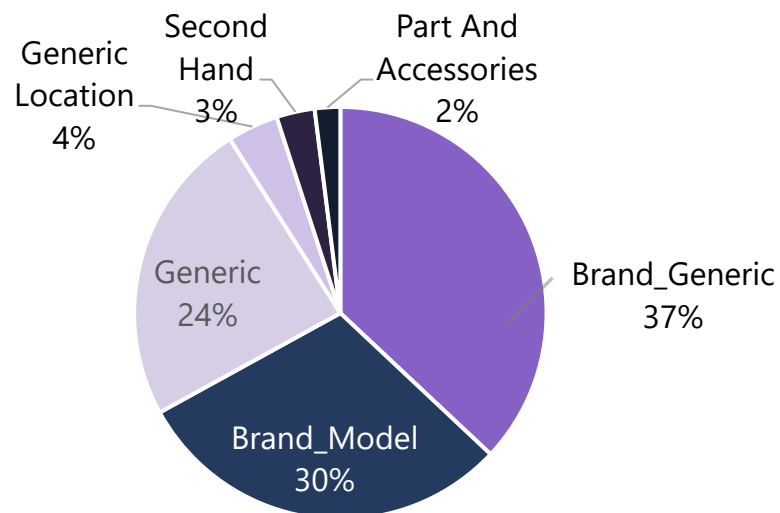
1. Microsoft internal data : Autos vertical Jan-2020 to Dec 2020

2. Federal Chamber of Automotive Industries, Australia

* Y2Y- Year over 2 year compared to 2019

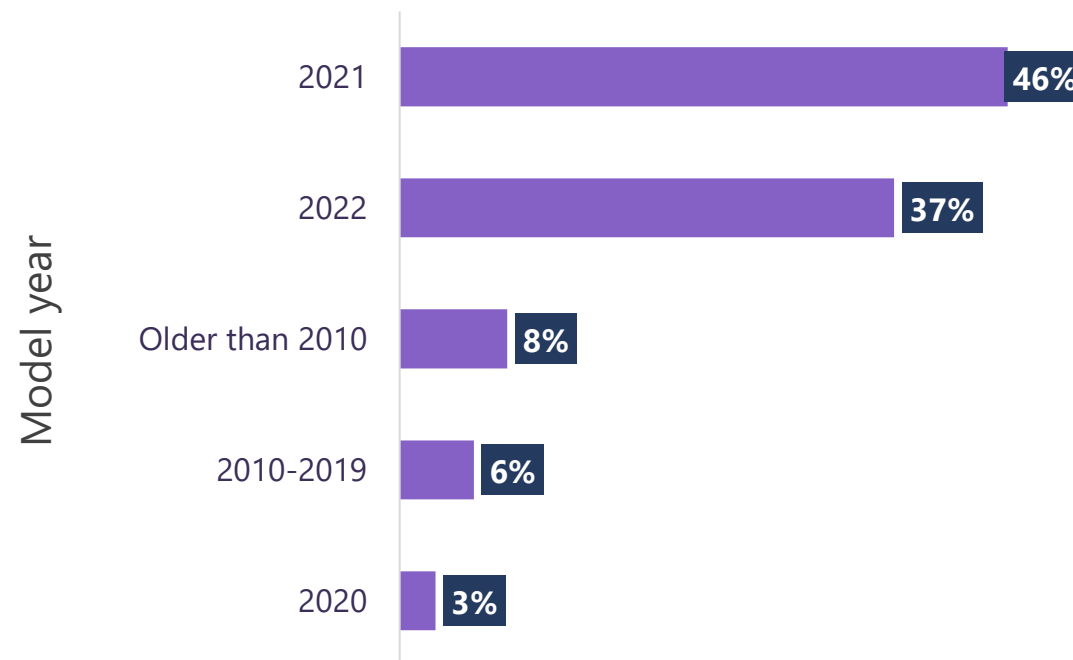
2021 model year searches dominate as people are researching newest vehicles

Search volume share by search query type- September 2021



2 in 3 auto searches contains brand and model terms

Search volume share by Model Year- September 2021*



Tip: Ensure your campaigns have full coverage on your **brand, available models and generic body type** to target the decisive customers.

Source :

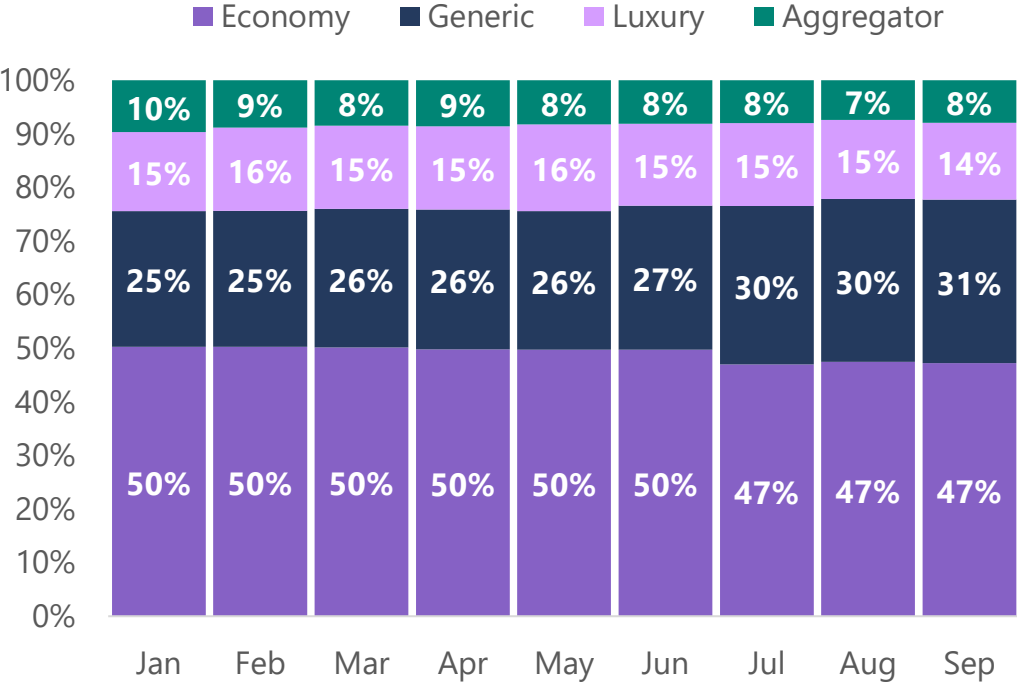
1. Microsoft internal data : Autos vertical, Sep 2021, All Devices

* Based on Top 2K query analysis, Sep 2021

Searches for economy car brands dominate



Search share trend by categories (January-September 2021)



Top generic searches – September 2021

Search	Indexed volume
suv	100%
suv deals	41%
best luxury suv	38%
best cheap suv	37%
luxury suv	33%
how much is my car worth	33%
car sale	26%
best suv	25%
car dealerships	19%
best luxury hybrid suv 2021	11%
car dealer	8%
hybrid car	4%
4wd suv	3%
4wd cars	2%



Tip: Use in-market audience feature to target customers in the market for automotive purchase

Source :
1. Microsoft internal data : Autos vertical, Jan- Sep 2021, All Devices

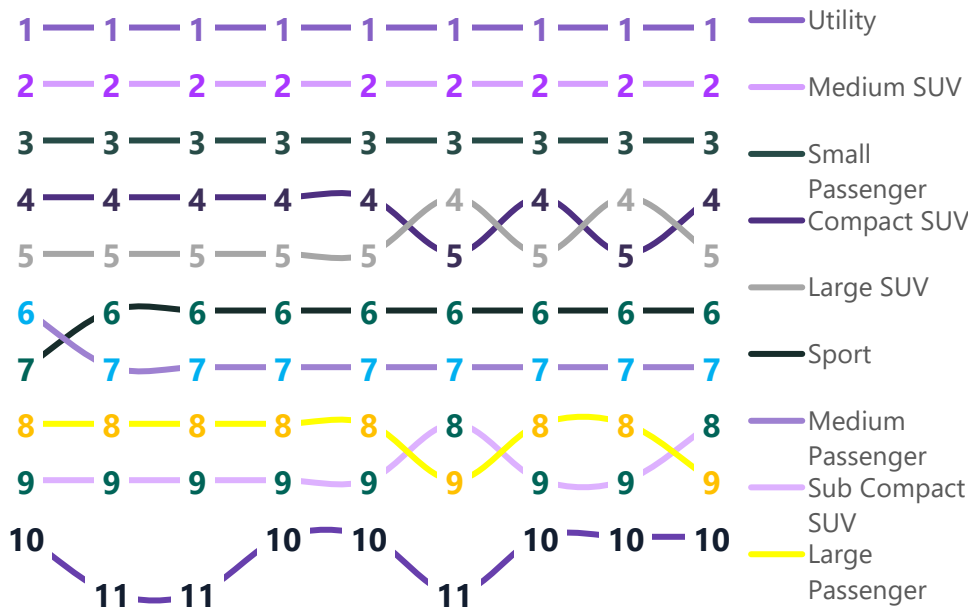
Compact SUVs gain popularity in luxury segment

Search share by popular body type and brand class

Top economy searches by body type

(Rank based on search volume- 2021)

Jan Feb Mar Apr May Jun Jul Aug Sep

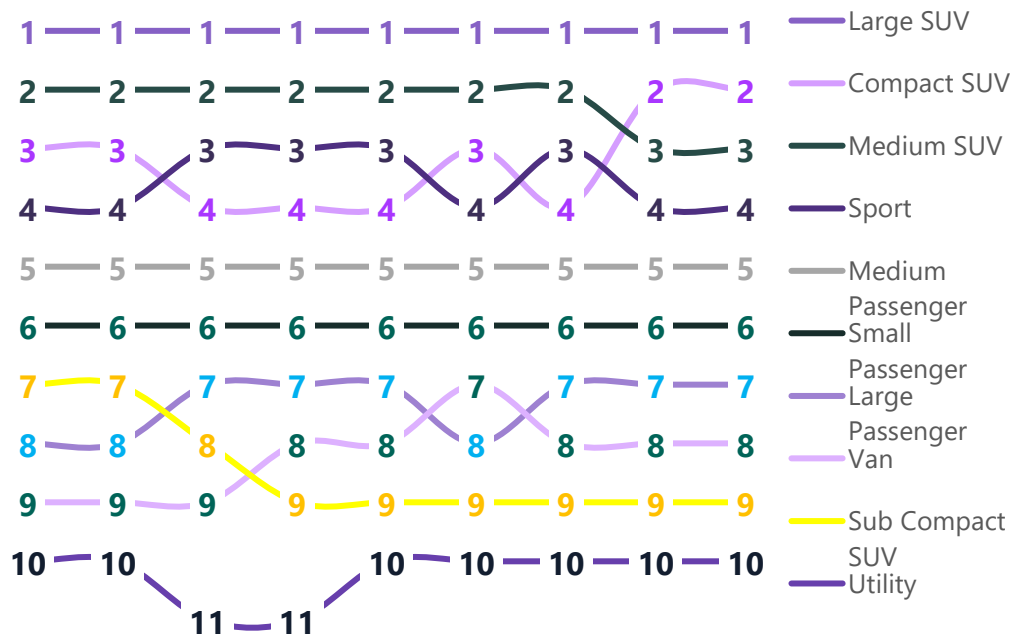


Note: Colors are tied to body type and not rank

Top luxury searches by body type

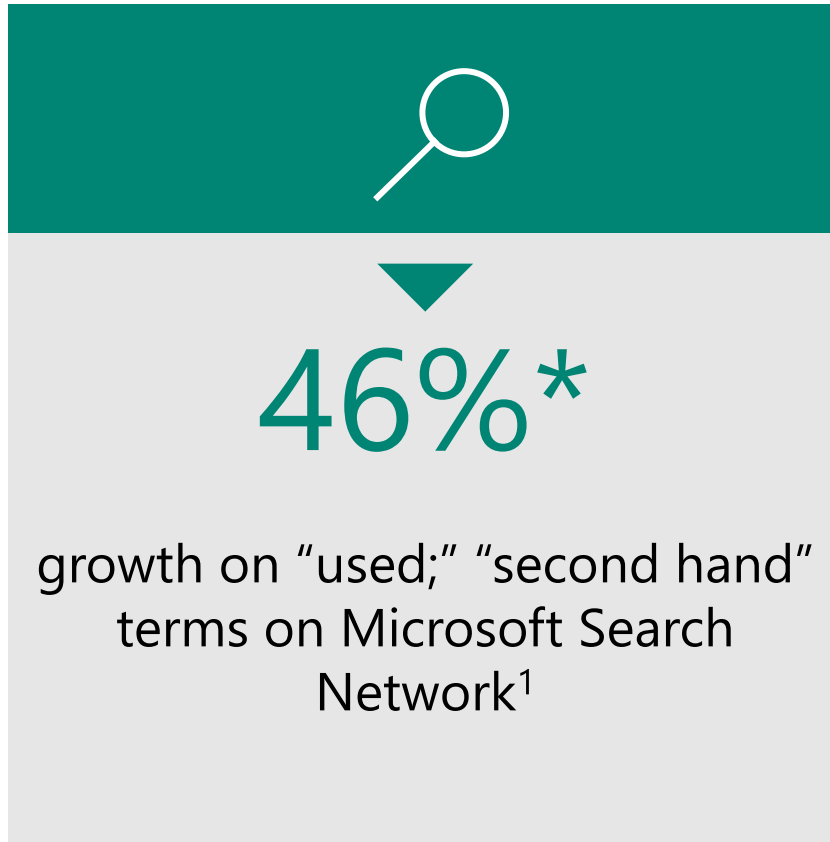
(Rank based on search volume- 2021)

Jan Feb Mar Apr May Jun Jul Aug Sep



Source :
1 Microsoft internal data : Autos vertical Jan-2021 to Sep 2021

Used vehicle consideration is increasing for car buyers



* September 2021 search volume compared to average monthly search volume in 2020

Source :

1. Microsoft internal data : Autos vertical, Jan- Sep 2021, All Devices
2. Carsales survey, Sep 2021, [Link](#)

Electric vehicle subsidy across various states strengthens purchase intentions



49%

Car buyers see themselves owning electric cars by 2030¹



50%

will pay more for an electric vehicle



54%

Will buy an electric car as their next purchase

+252%

year-to-date (YTD) increase in car searches with the term **“electric”** on Microsoft Advertising²

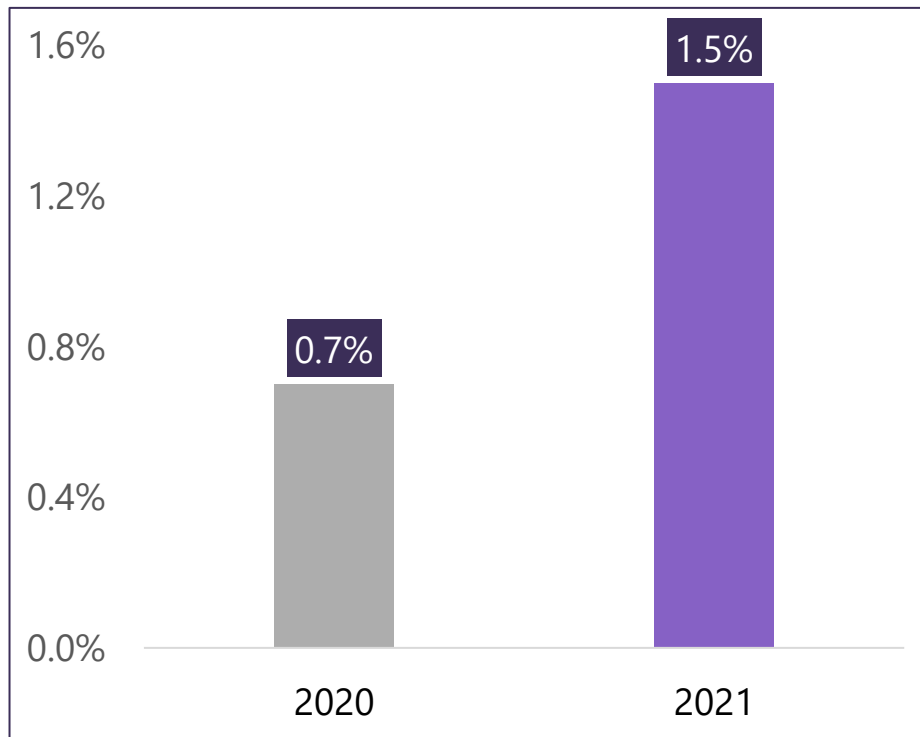
Source :

1. Consumer survey 2021, Electric vehicle council
2. Microsoft internal data : Autos vertical, Jan- Sep 2021, All Devices

People are searching for hybrid and electric cars 2x more than last year



Average monthly search share for electric & hybrid vehicle
2020 vs 2021



+108%

YTD increase in car searches with the term **“hybrid”** and **“plug in hybrid electric vehicle” (Phev)* terms** on Microsoft Advertising²

Pro tip

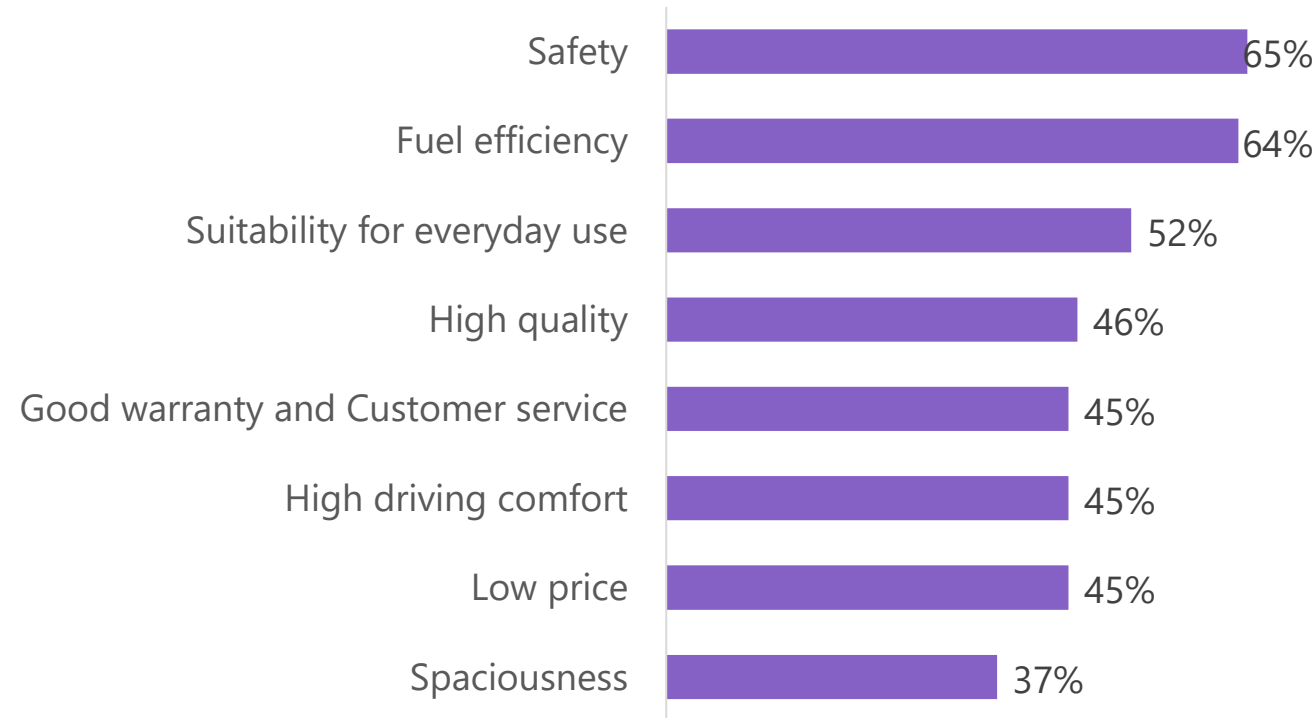
Ensure 100% impression share on own electric and hybrid models. Invest on trending tokens terms to achieve higher conversions.

Source :

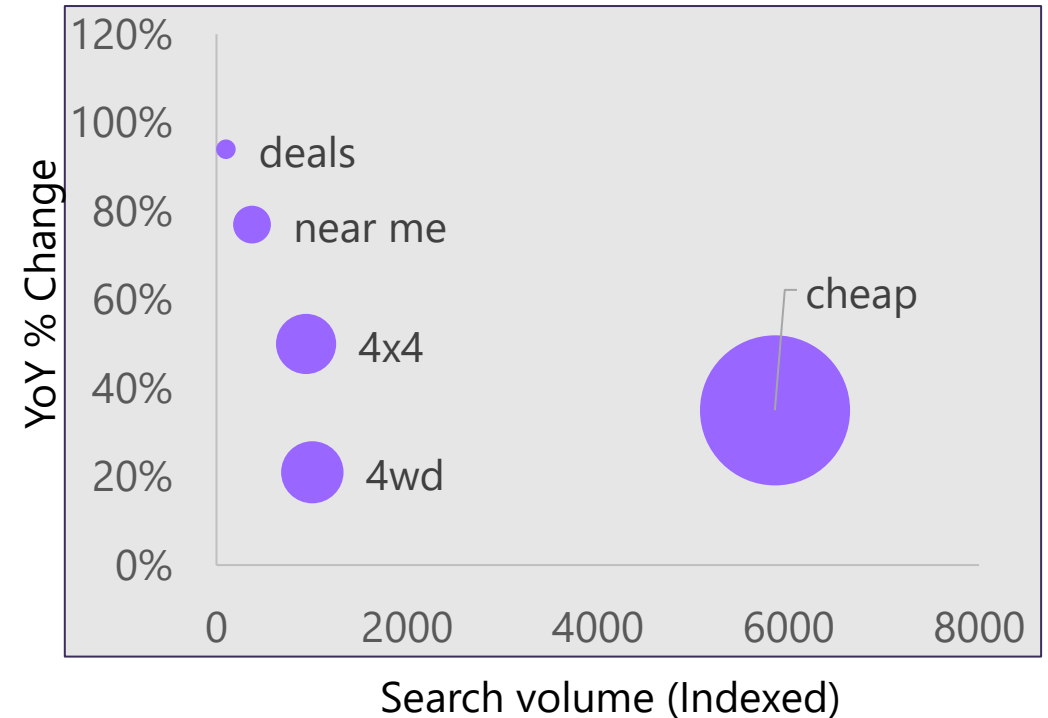
1. Microsoft internal data : Autos vertical, Jan 2020- Sep 2021, All Devices
2. * Phev= Plug in hybrid electric vehicle

What matters the most while deciding on a car purchase?

Importance factors for purchasing a car¹



Trending query tokens on Microsoft Advertising²



Tip: Include related keywords to align your ad copy with what customers value the most.

Source :

1. Statista Global Consumer survey, Australia, 7 April 2021-16 June 2021
2. Microsoft internal data : Autos vertical, Jan 2020- Sep 2021, All Devices

Meet the Microsoft Audience Network



Premium native placements

Strict publisher standards and AI-powered curation



Brand-safe experiences

Transparency and controls for advertisers



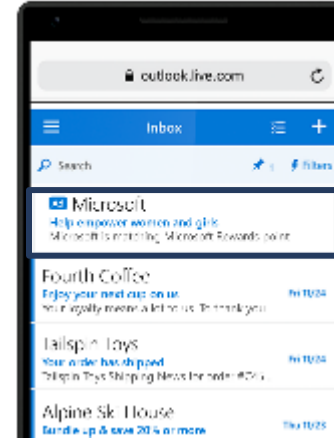
Highly contextual ad placements

Based on Microsoft first-party intent data

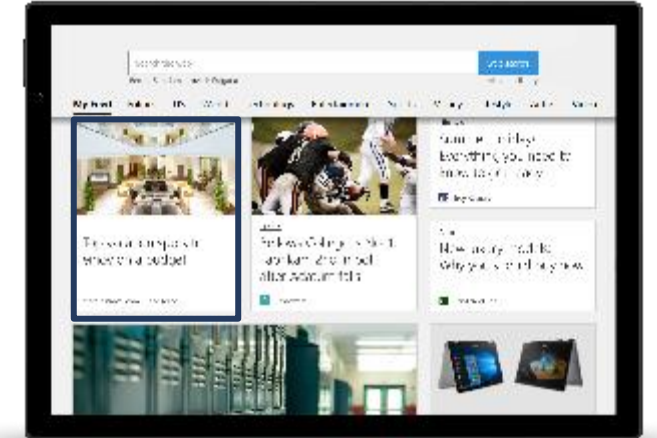


Strong industry ad performance

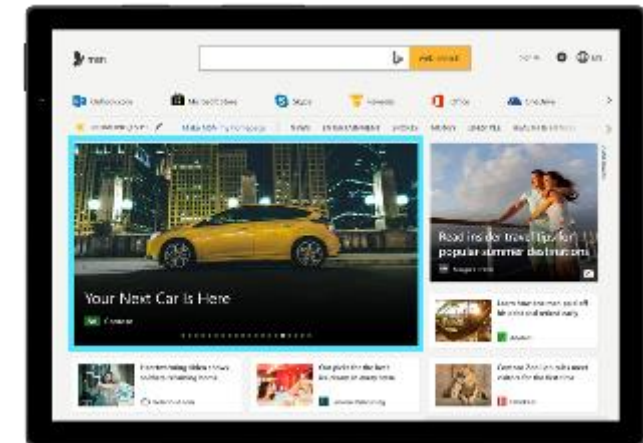
Driven by leading-edge AI technology



Outlook.com



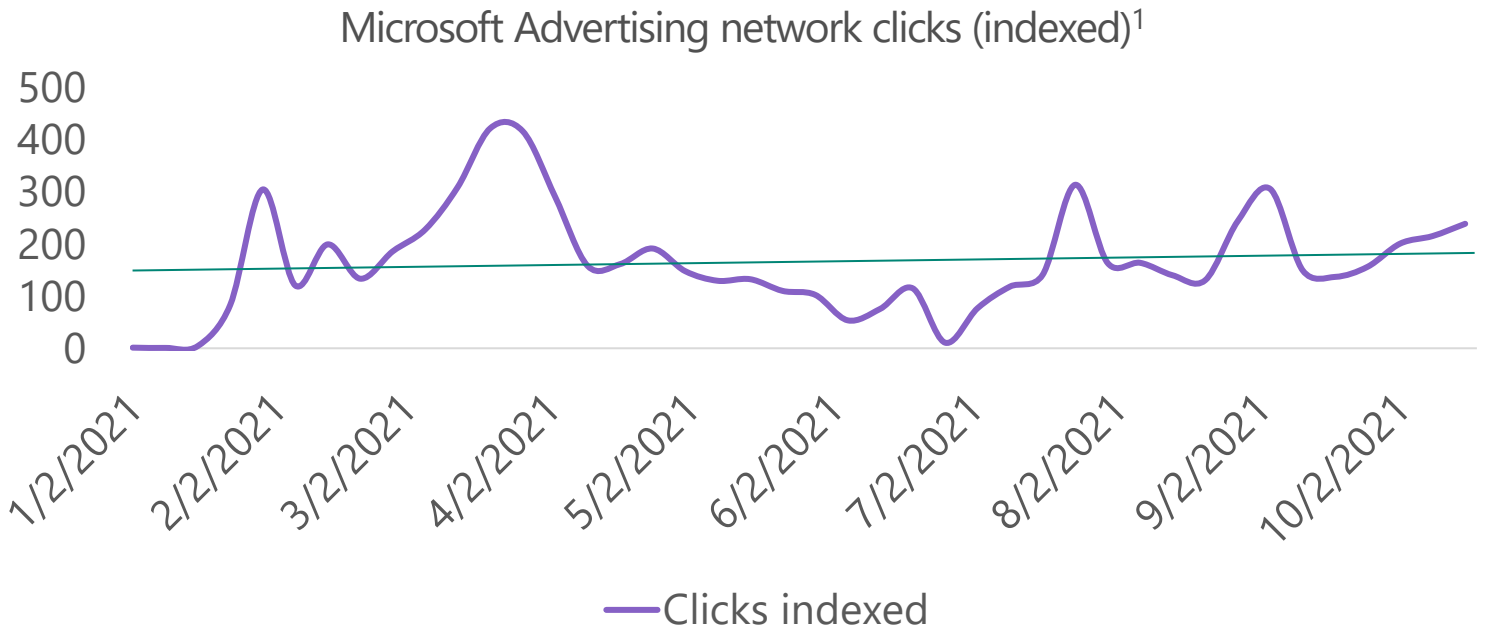
Microsoft Edge



MSN



Microsoft Audience Network opportunities are on the rise



MoM
growth
September
2021

Clicks
+31%

Average click thru
rate (CTR)
+6% YoY

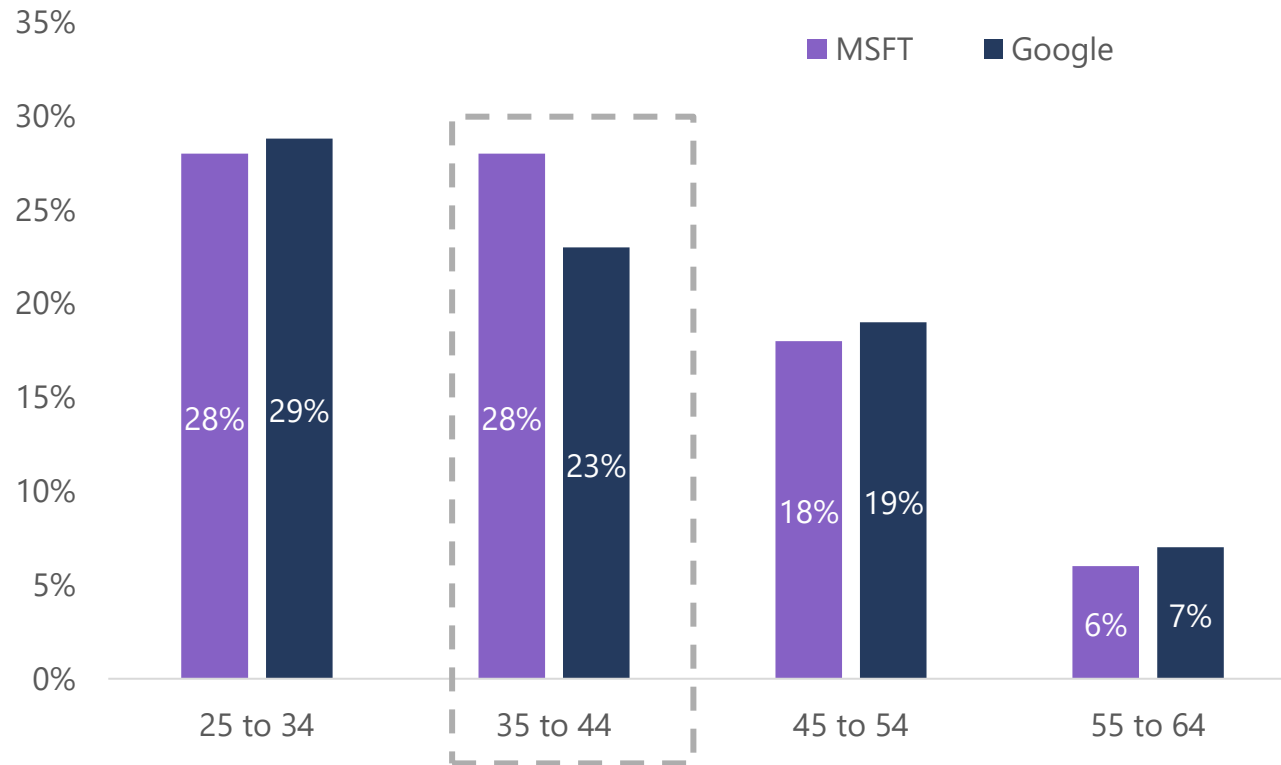
Source :
1. Microsoft internal data : Autos vertical, Jan 2021- Sep 2021, All Devices

Use Microsoft Audience Network with search to get incremental clicks and maximize performance



Compared to Google, Microsoft over-indexes by 5% in recent¹ vehicle purchasers aged 35-44.

28% of Microsoft recent purchasers are 25–34-year-olds who can drive a greater customer lifetime value.



Younger prospects tend to start researching luxury car brands early, years before they might be able to buy²

Keep on building brand awareness and affinity. Balance your targeted campaigns with brand building to reach aspirational audiences who research years before they can buy

Try demographic targeting on Microsoft Advertising for better conversions

Source:

1. Purchased within the past 3-6 months, GWI | Apr – June 2021

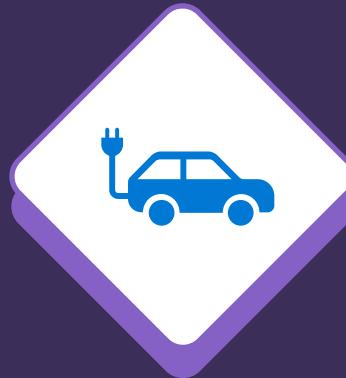
2. APAC Automotive Insights, 2021, Quantcast, Link

Recommendations



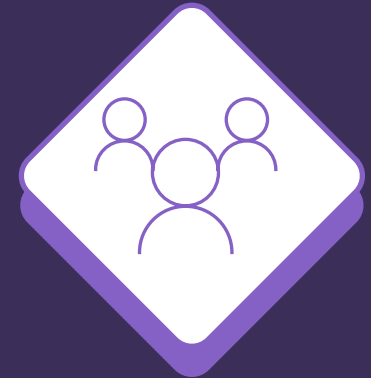
Calendar year seasonality

- Bid up **1-2 month** before peak seasonality
- Use **video and multimedia** ads to create visually exciting digital experience
- Use **in-marketing audience** and **remarketing feature** to reach out to targeted consumers



Green vehicles

- Match your budget with your ambition.
- Ensure 100% impression share on own electric and hybrid models
- Use Generic Search to grow electric vehicle market share



Microsoft Audience Network

- Clicks are growing fast on Microsoft Audience Network
- Embrace Microsoft Audience Network esp. as new models are launched

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