



MICROSOFT ADVERTISING

# Occasions & Gifts trends (U.S.)

+ 2019 Mother's Day look-back

Microsoft Advertising. Intelligent connections.



# Analysis compares Pre vs. Post timeframes

Determined by the U.S. COVID-19 National Emergency Declaration date

Pre = January 1<sup>st</sup> – March 13<sup>th</sup>

Post = March 14<sup>th</sup> onward



Weekly Occasions & Gifts searches and clicks are reporting an uptick in volume in the most recent reporting weeks

*All subverticals reported significant WoW growth in this category*



Despite recent lockdown orders, consumers continue to celebrate their loved ones but are doing so “virtually”

*Add terms like “virtual” or “video” when marketing holiday planning, gift giving, or party supplies*

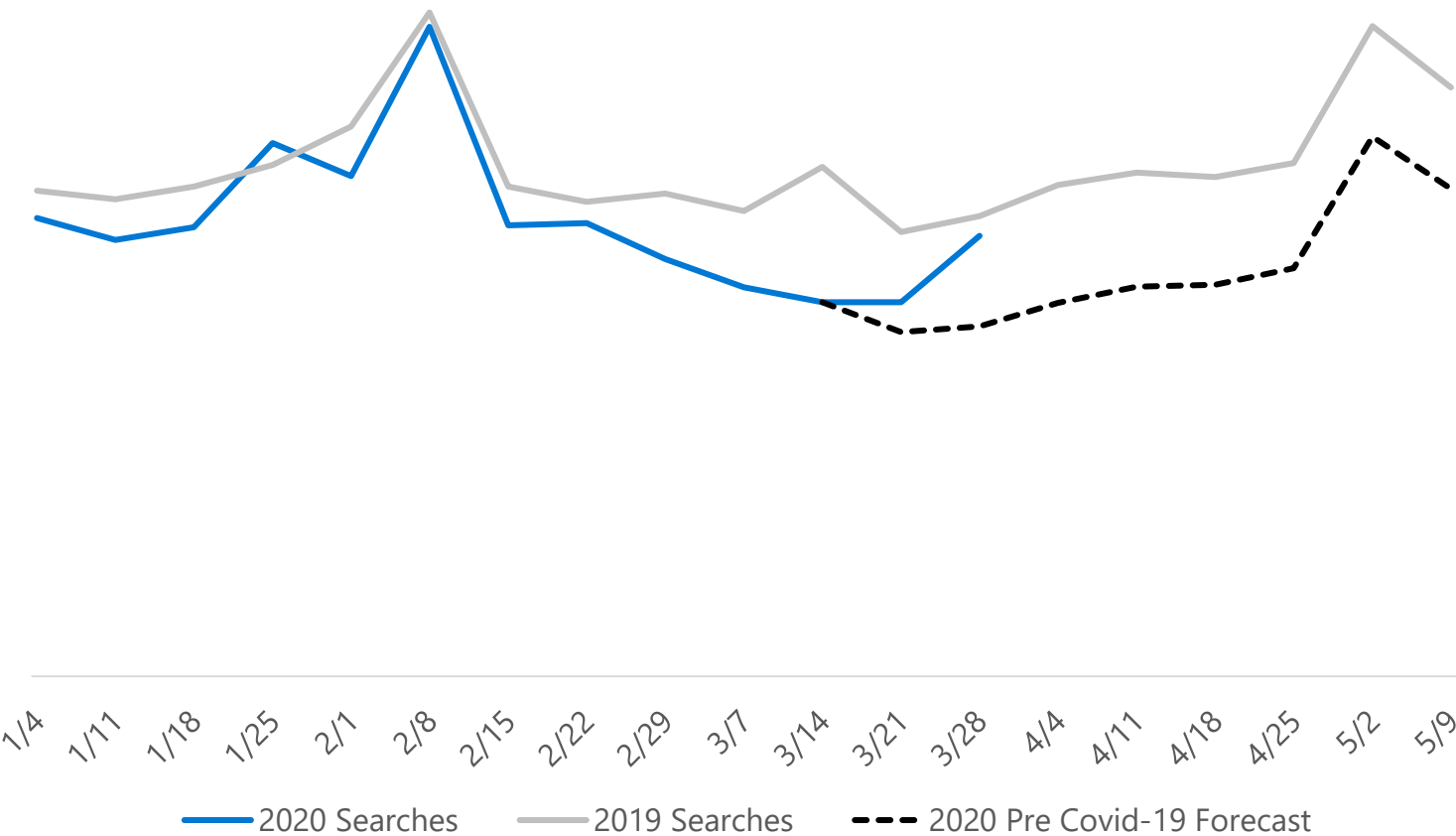


Mother’s Day queries are starting to emerge with the first significant spike occurring on Sunday, March 22<sup>nd</sup>

*Ensure Mother's Day promotions, offers and campaigns are enabled as relevant searches begin 30 days prior to the event*

# Searches regain momentum after a soft stretch in the most recent reporting week

Year-over-year (YoY) search trends with Pre forecast



## Occasions & Gifts

**+11%**

to forecast Post

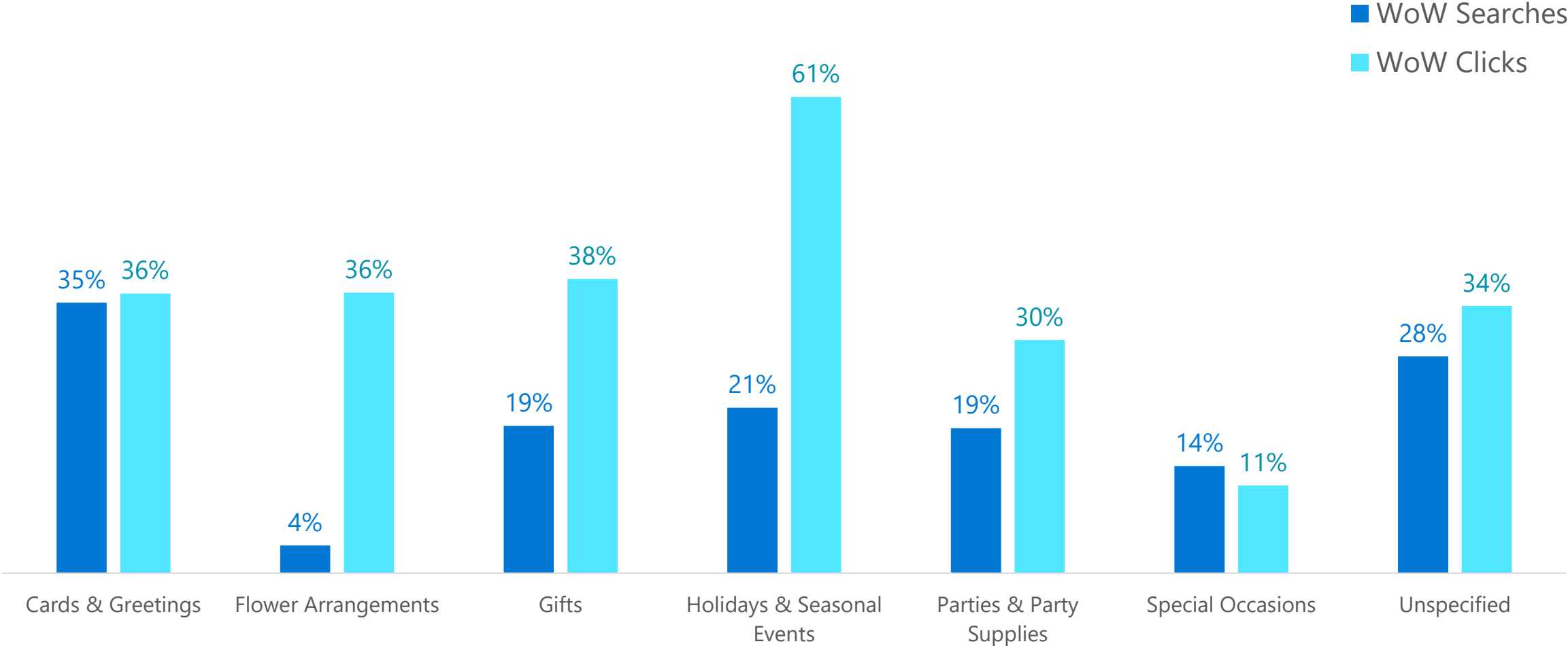
**-7%**

to 2019 Post

(-16% during baseline)

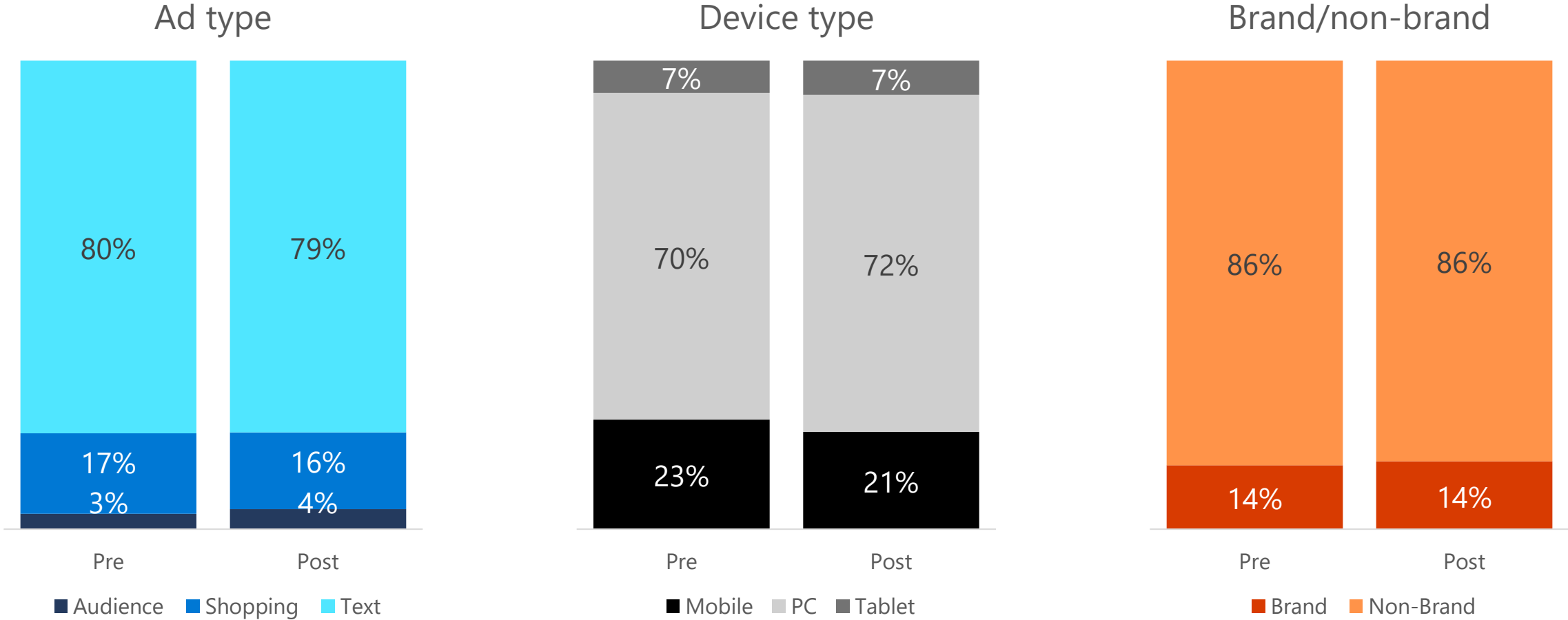
# Occasions & Gifts has reported unseasonal week-over-week (WoW) growth with clicks outpacing searches

WoW searches and clicks (3/28 - 4/3 vs. 3/21-3/27)



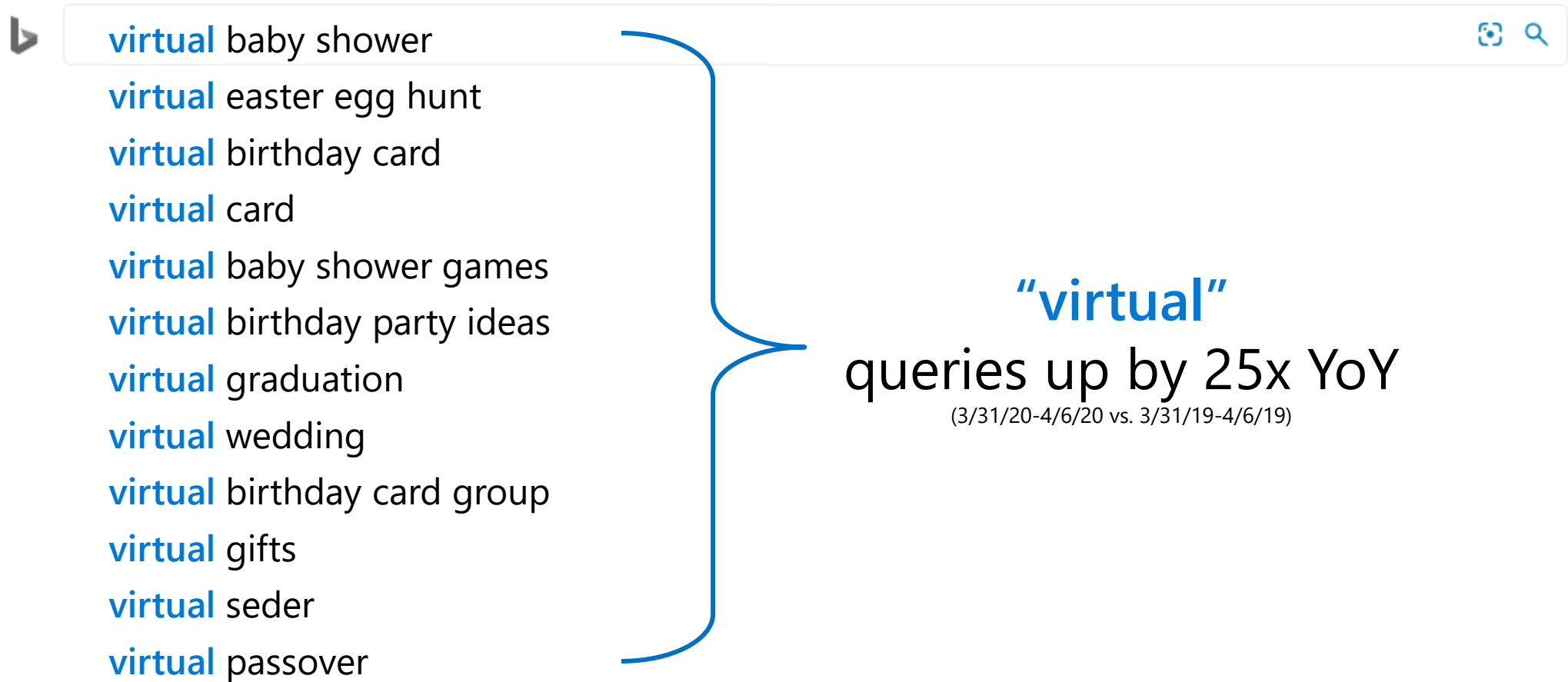
# Nominal shifts Pre vs. Post across format, device and query type

Share of clicks Pre vs. Post



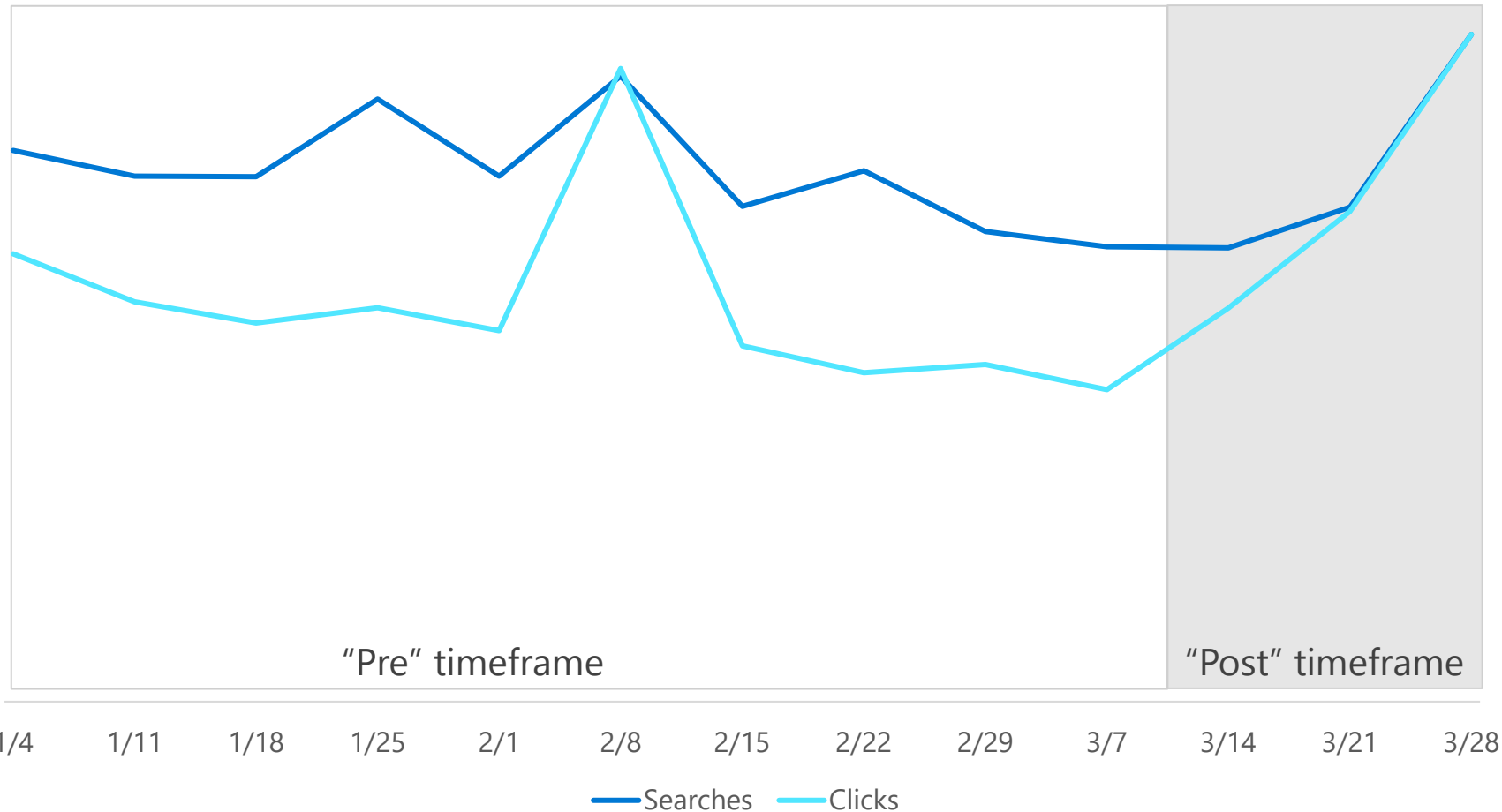
# Consumers continue to celebrate special events “virtually”

Top searched Occasions & Gifts queries containing “virtual”



# Cards & Greetings: Recent click upticks have driven a 29% lift in click yield (clicks/searches) during the Post period

2020 weekly indexed searches and clicks



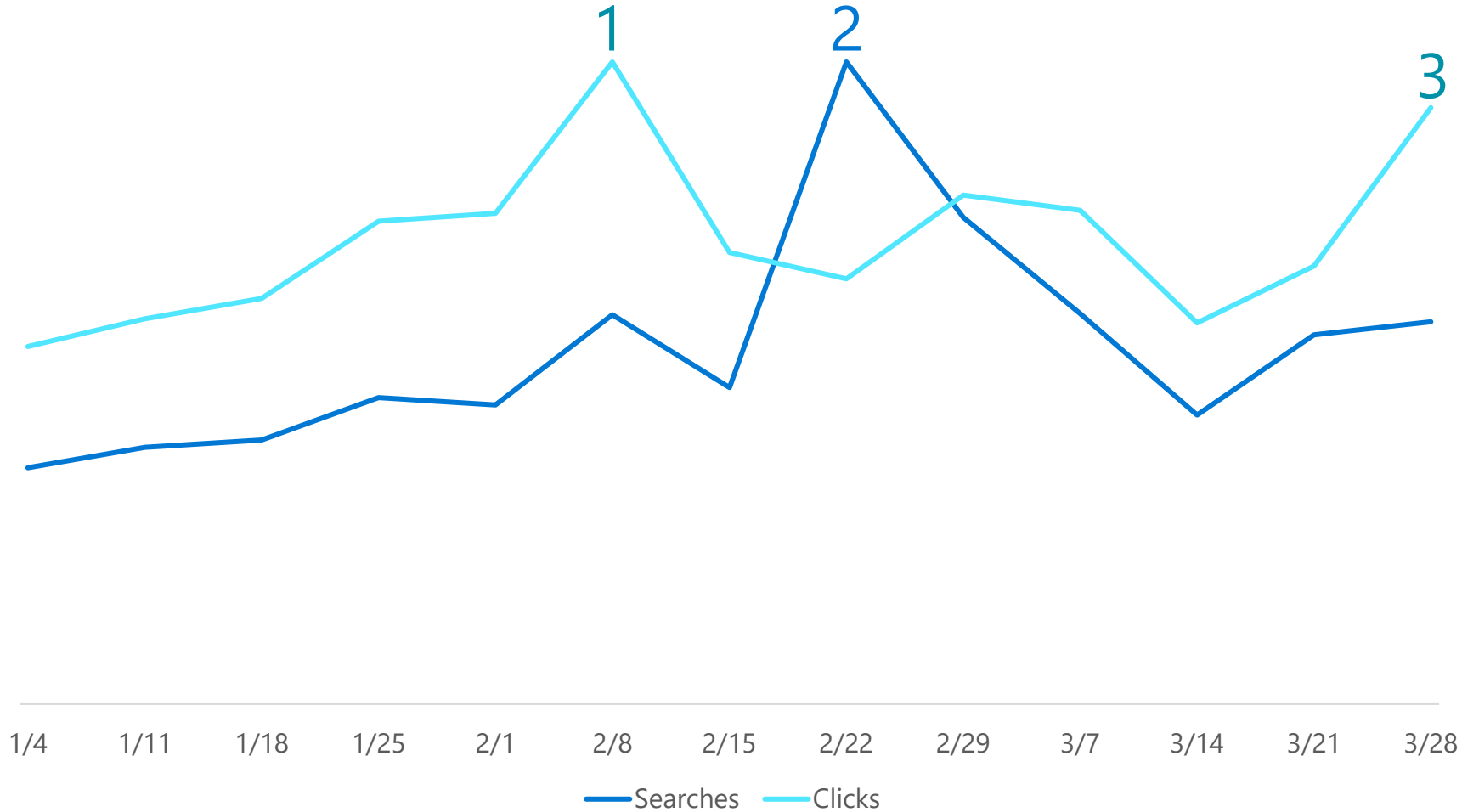
## Top queries

- [custom photo book brand]
- birthday cards
- thank you cards
- [ecard brand] card
- [ecard brand] cards
- ecards
- [ecard brand]
- [card brand] cards
- free ecards
- easter cards
- [ecard brand]
- [popup card brand] cards
- popup cards



# Flower Arrangement searches and click spikes are misaligned

2020 weekly indexed searches and clicks



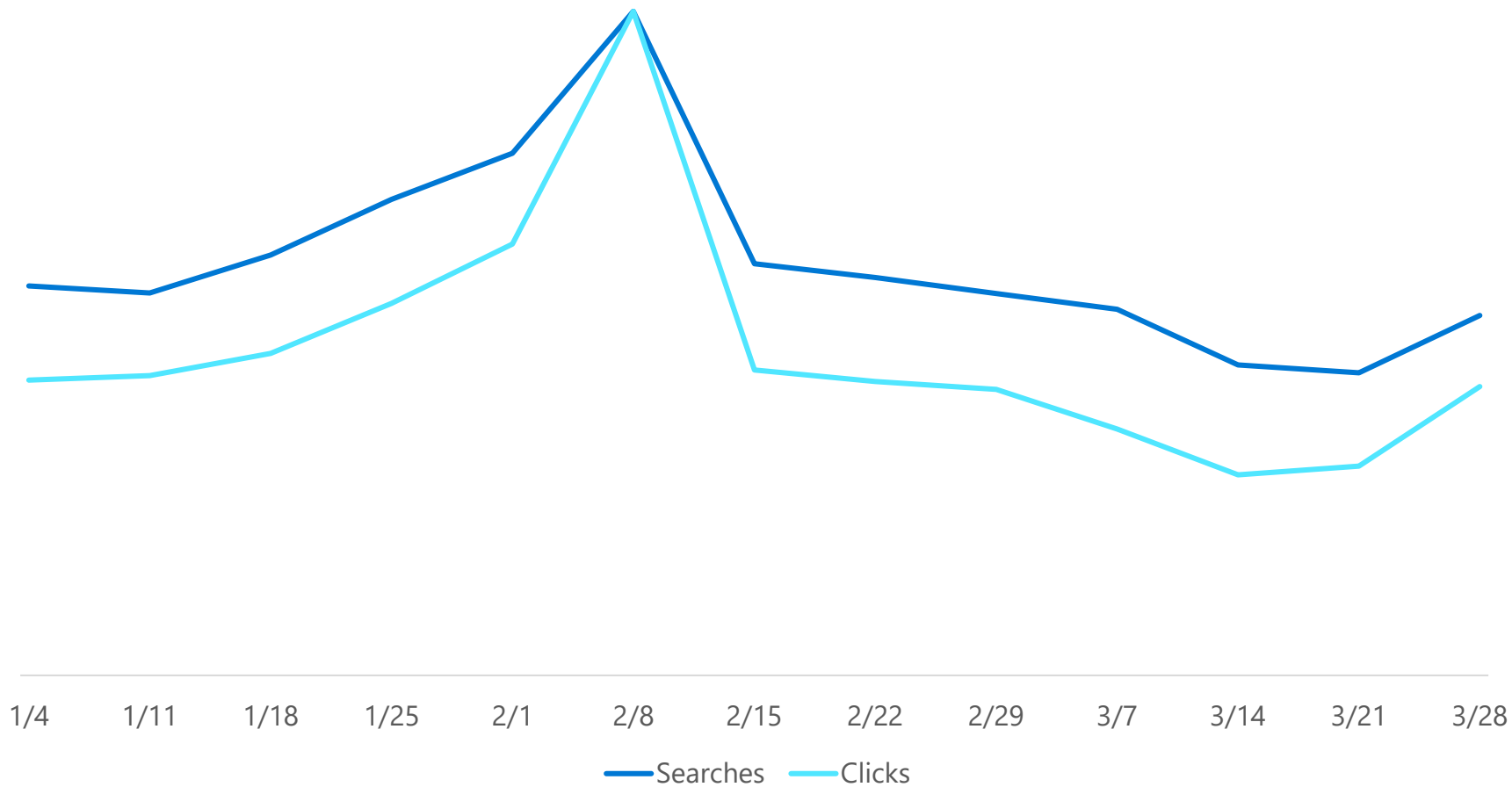
1. Click and search lifts were seasonally aligned with Valentine's Day
2. Spike was driven by searches asking what certain flowers symbolize
3. Bulb-related queries emerged as a trend aligning with the rise of Gardening and other DIY-focused searches across Retail

## Top queries

flower delivery  
roses  
[flower delivery brand] flowers  
sunflowers  
spring flowers  
lily  
tulip  
daisy  
[bulb delivery brand]  
easter flowers  
orchid

# Gifts spiked Valentine's week

2020 weekly indexed searches and clicks



Microsoft Advertising Internal Data, Jan 4 – Apr 3, 2019 v. 2020

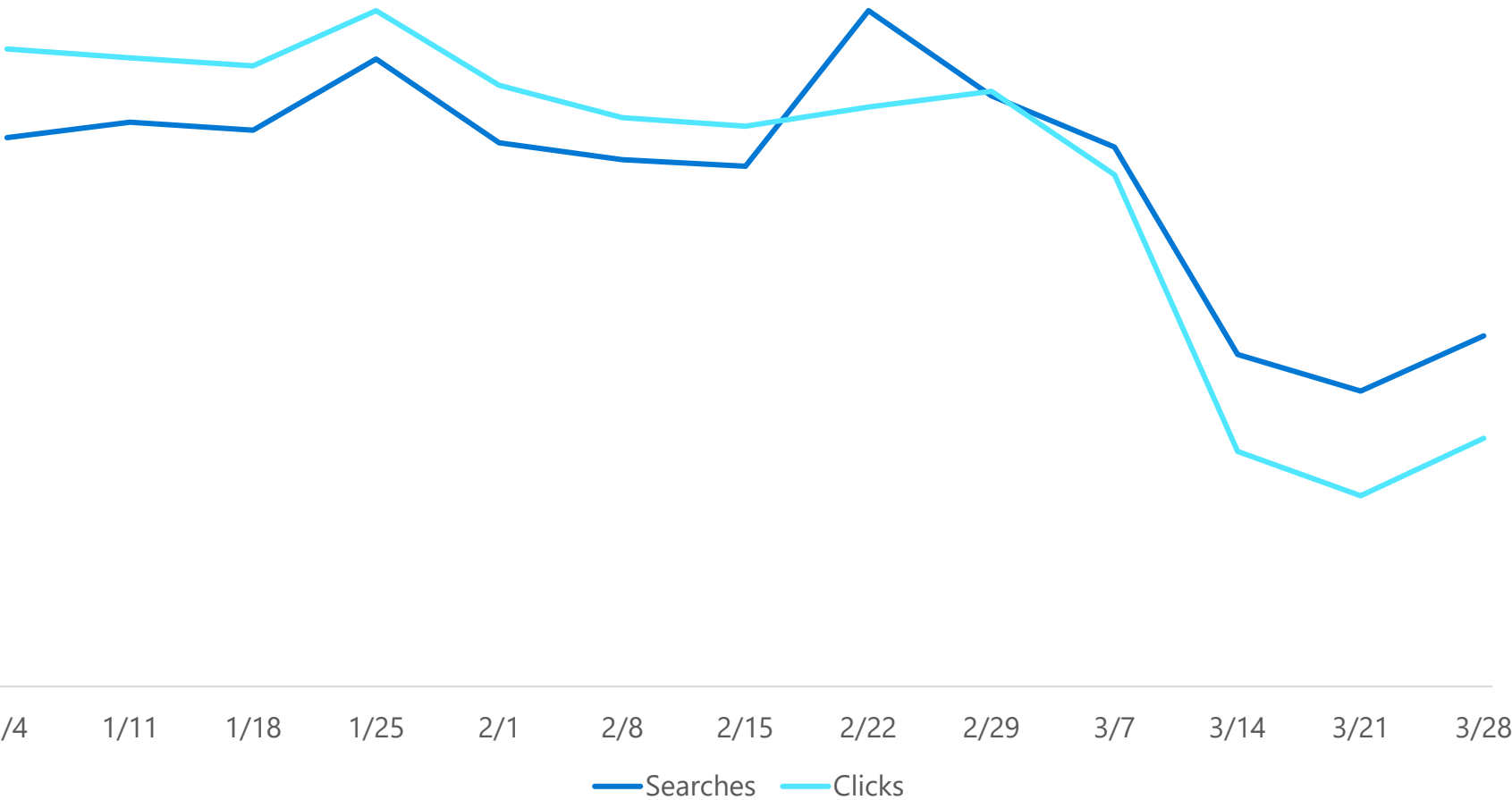
## Top queries

- [fruit basket brand]
- [gourmet food basket brand]
- boxed wholesale
- [mass merchant brand] baby registry
- [online baby store brand]
- [home & garden brand]
- gift baskets
- [specialty food brand]
- [wine brand] gift basket
- [home & garden brand]
- [online baby store brand]
- [mass merchant brand] registry
- [online mass merchant] gift card



# Parties & Party Supplies click yield has softened

2020 weekly indexed searches and clicks



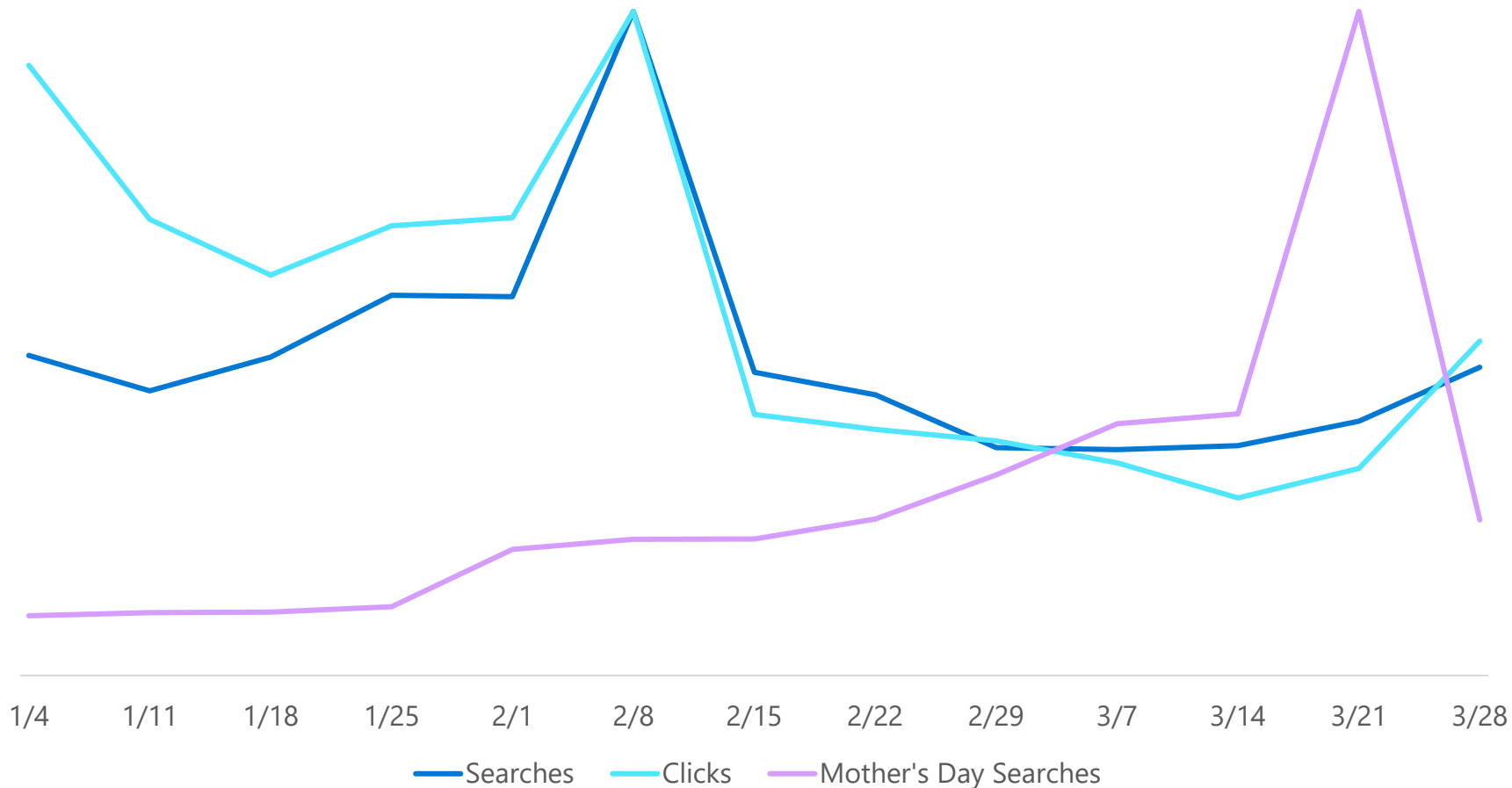
## Top queries

- [party store brand]
- evite
- balloons
- [party store brand] website
- helium
- pinata
- party supplies
- paper plates
- birthday balloons
- [party store brand]
- invitations
- confetti



# Holiday & Seasonal Events: Volume aligned with Valentine's Day; plan for a second uptick for Passover and Easter

2020 weekly indexed searches and clicks



Microsoft Advertising Internal Data, Jan 4 – Apr 3, 2019 v. 2020

Mother's Day searches have begun to pick up traction, with the first significant spike occurring Sunday, March 22nd

## Top queries

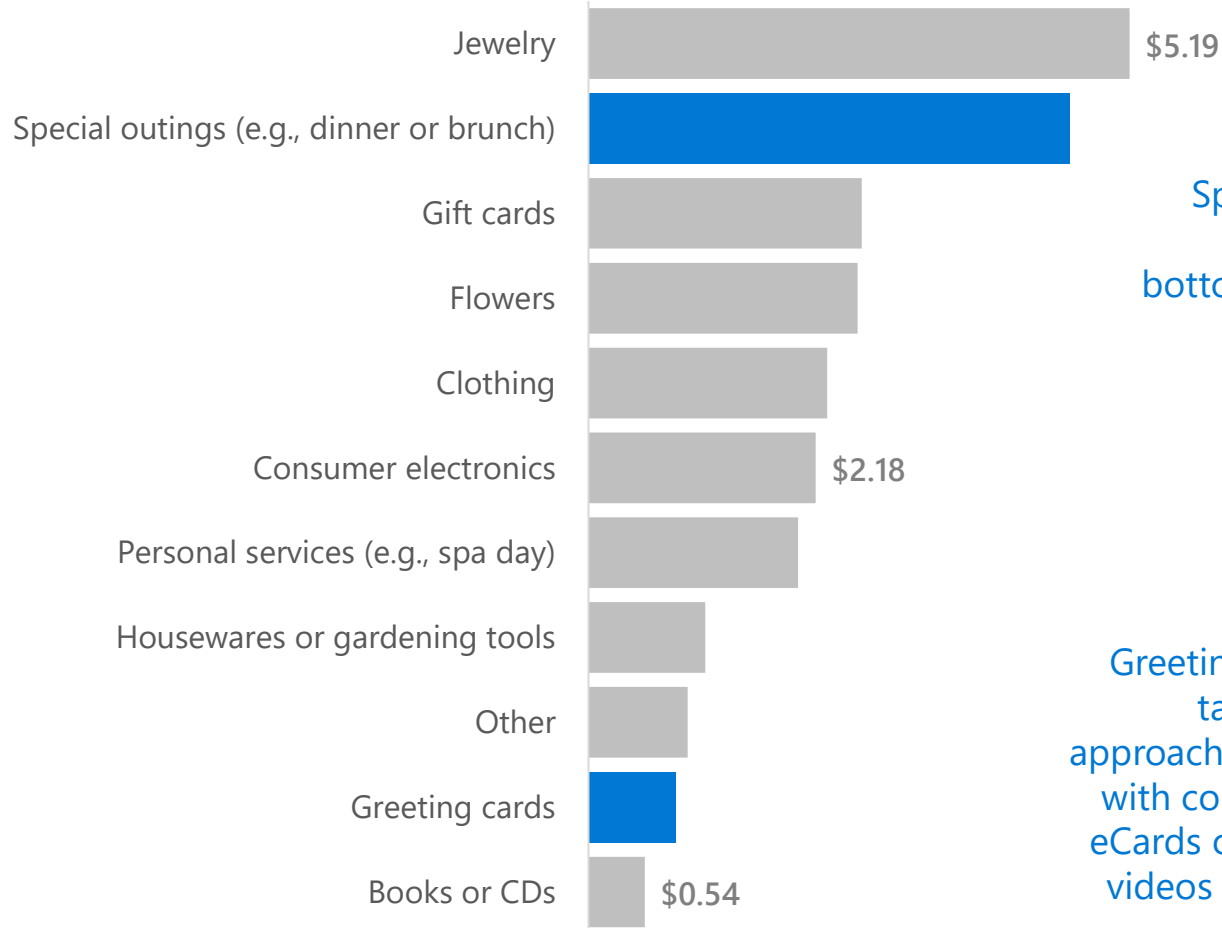
- palm sunday
- easter
- easter baskets
- when is easter
- easter coloring pages
- easter eggs
- easter bunny
- mother's day 2020
- easter baskets for children
- easter gifts
- easter gift baskets delivered
- when is mother's day
- mother's day gift ideas

# Mother's Day 2019 look-back

What to expect this season

# Jewelry continues as the top purchased gift

Mother's Day gift spend, by product category, April 2019 (billions)



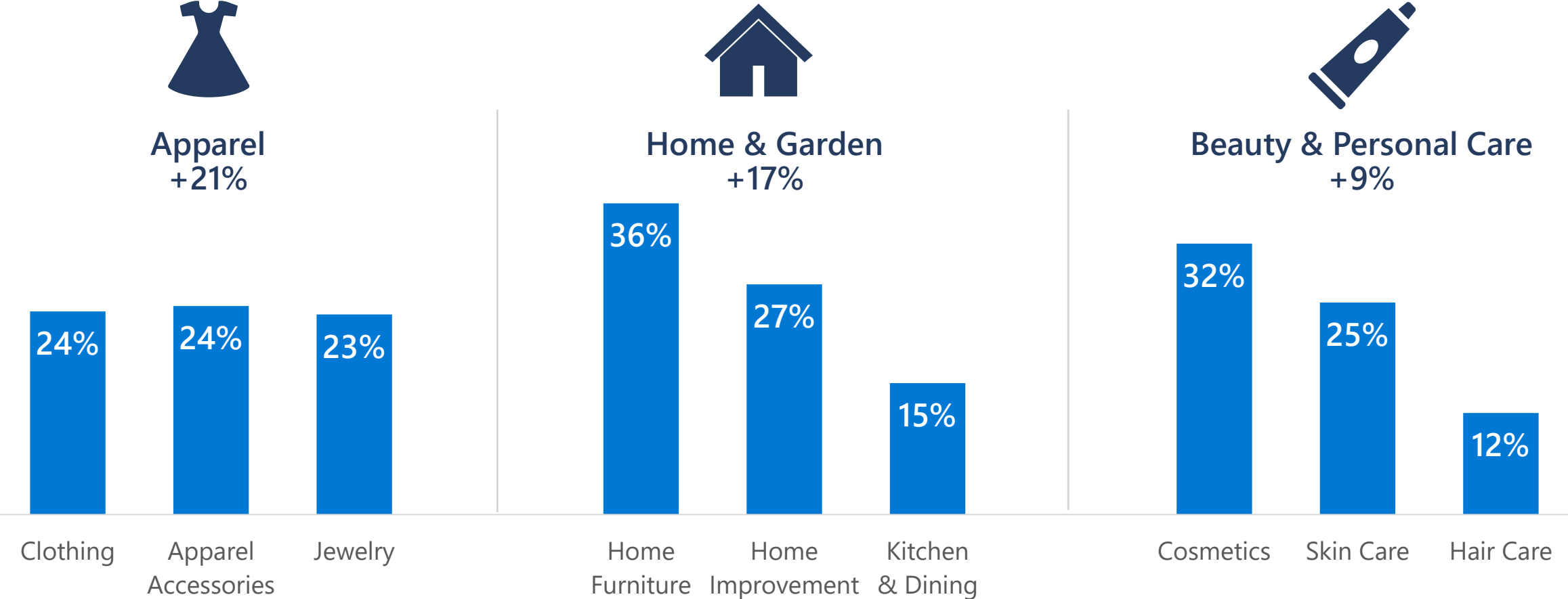
Special outings will likely fall to the bottom of the ranking list this year in accordance with recent consumer buying behaviors

Greeting cards will likely take a more virtual approach than ever before with consumers favoring eCards or group birthday videos to celebrate their loved ones



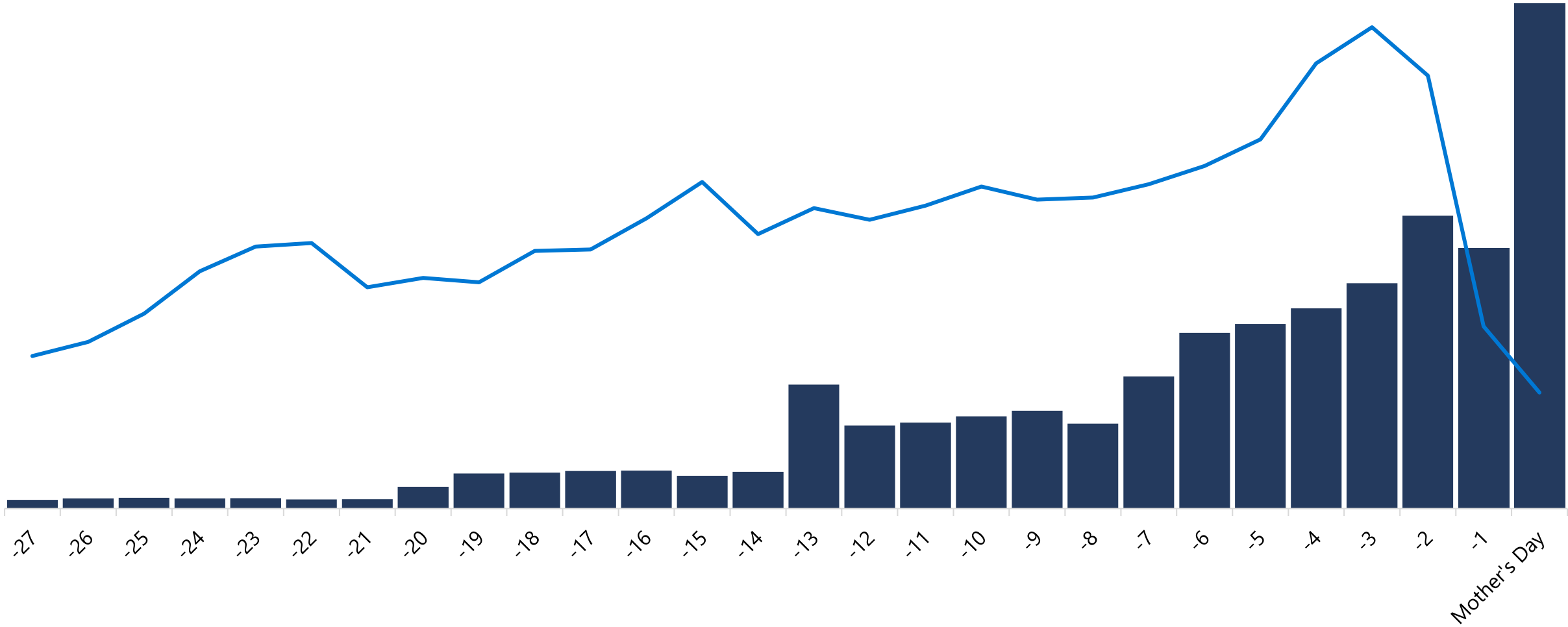
# Retail verticals reported strong YoY click growth driven by key subverticals

YoY total vertical click growth and YoY top subvertical click growth



# Last year, searches started nearly 30 days out and peaked on Mother's Day

Mother's Day **searches** and **CPC** by week

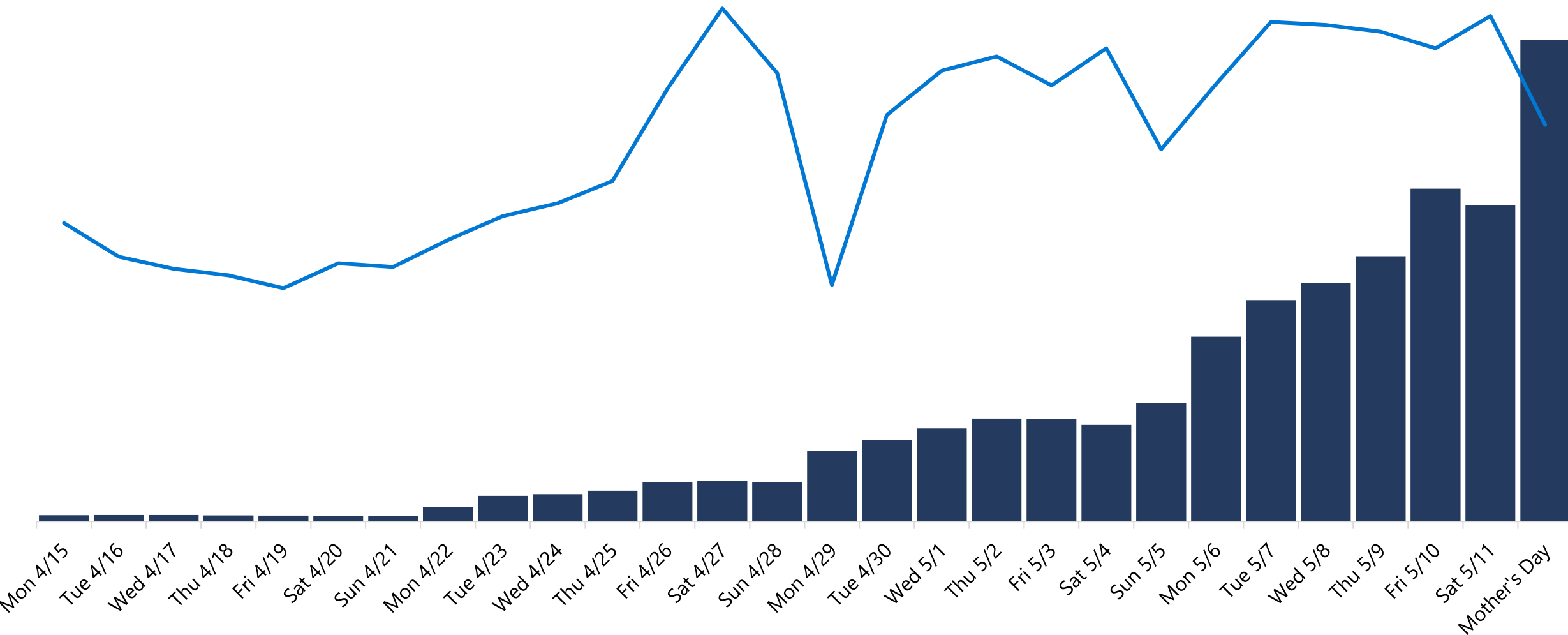


Microsoft Internal Data, US Only, April 15, 2019 – May 12, 2019



# Clicks grew steadily each day while click yield was strongest toward the weekend

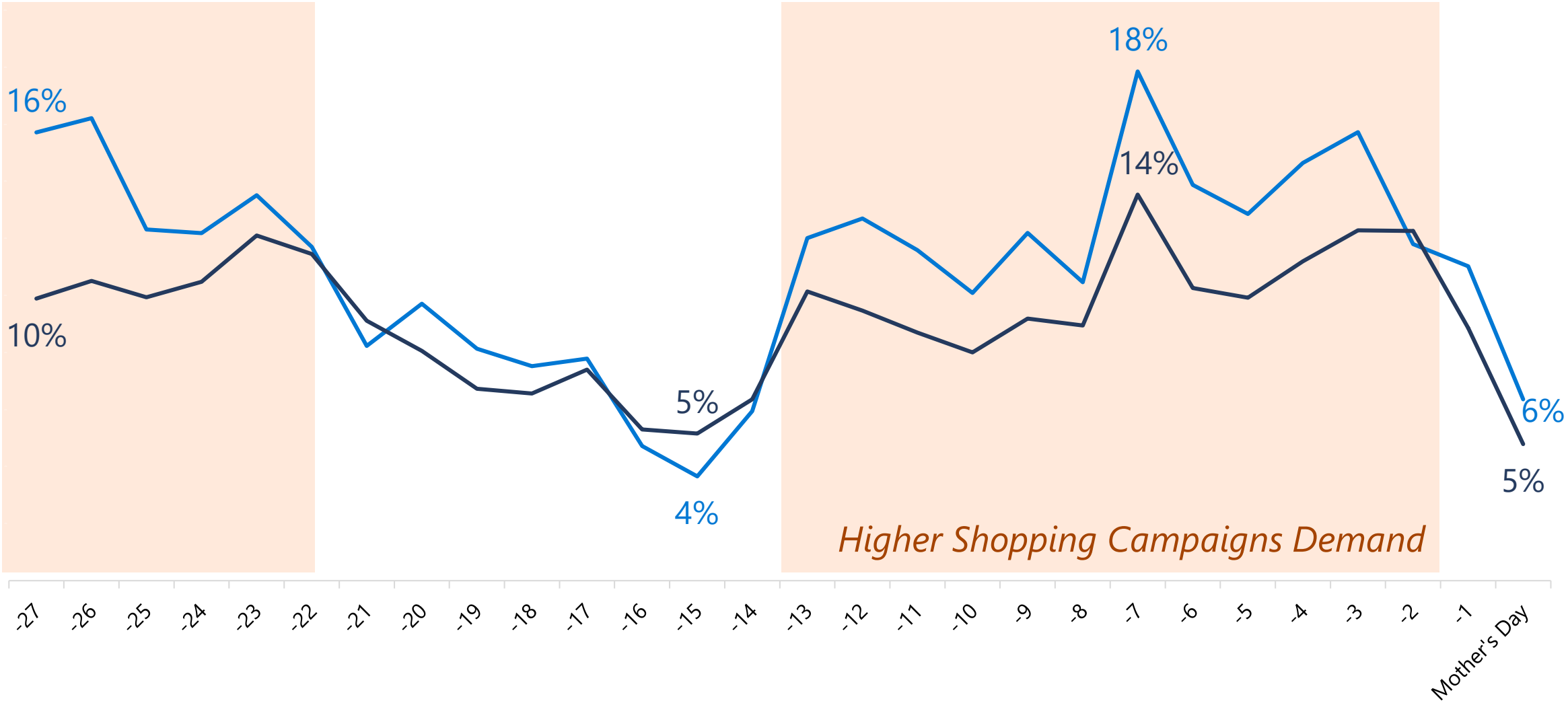
Mother's Day **clicks** and **click yield (clicks/searches)** by week



Microsoft Internal Data, US Only, April 15, 2019 – May 12, 2019

# Microsoft Shopping Campaigns were most active at the start and close of the season

Percentage of Mother's Day Microsoft Shopping Campaign **clicks** and **spend** by week



Microsoft Internal Data, US Only, April 15, 2019 – May 12, 2019

# Checklist

## Immediate actions

### Ads

- Check the extensions you're using. Use "delivery, curbside pickup, other services" that are unique and applicable to your business.
- Shopping: Adjust product group bidding strategy to align with your inventory dynamics.
- Shopping: Keep your product feed files up to date as product inventory and prices may change rapidly.
- Automatically test different messaging by adding Responsive Search Ads (RSA) to your ad groups. Add assets with "delivery options."
- Check your editorial rejections as COVID-19-related terms are disallowed.
- Check your text ads. Replace any standard text ads with [Expanded Text Ads](#) and RSA (standard text ad volume will begin to decline April 1).
- Search partners: Review publisher reports to optimize performance on the search partner network.

### Keywords

- Use "Broadience" (broad match + audience targeting) to help you efficiently expand reach and identify new opportunities.
- Add keywords with terms around delivery, curbside pickup, fees waived, etc. as fit for your business (note "COVID-19" terms are restricted).
- Review your search term reports for emerging queries to add as keywords or add negatives to avoid poor performance.
- To capture emerging queries, create or reactivate Dynamic Search Ads (DSA) as a "catchall" with a lower bid and use discoverability tools like [Microsoft Advertising Intelligence](#) and [Keyword Planner](#).
- Revamp your branded strategy and consider broad match on your core brand terms to cover highly relevant emerging queries.

### Audience

- Create Remarketing lists with more recent frequencies (ex: 1, 3,7, 14, 30 days) to target customers still looking to purchase.
- Use In-market Audiences to target customers who are in-market for your product (especially for areas of opportunity for you).
- If you're using Shopping Campaigns, make sure you have Product Audiences (dynamic remarketing) set up to help increase performance.
- Optimize your Audience Ads campaign and reach people where they are today while navigating the web and news sites at home.
- Add images to your search campaign, so your ads can serve on the Microsoft Audience Network and get in front of more potential customers.
- Refine targeting settings to reflect consumer trends for your business around geographies, time of day, etc. Use the [Bing COVID-19 Tracker](#) to help.

### Bidding

- Balance between using automation and manual reviews. Monitor [auto-bidding](#) but keep a close eye to adapt to a fluctuating marketplace.
- Monitor SOV/click share and adjust bids, especially where you see opportunities with less competition in the marketplace during this time.
- Review your smart targets, adjusting as needed if your targets shift (ex: target conversion rates). Layer Enhanced CPC on top of manual bids.

### Budget

- Check budgets in the Microsoft Advertising Interface daily. Watch for budget pause notifications, which may not show up in bid management tools.
- Reallocate budget to your best-performing campaigns and products as performance fluctuates with emerging trends.
- Keep campaigns running at a lower CPCs and lower budget to capitalize on decreased marketplace competition, instead of pausing campaigns.

# Checklist

## Restoration strategies

### Ads

- Ad rotation should be set to [optimize](#).
- Check your editorial rejections as COVID-19-related terms are disallowed.
- Begin the (required) move to [Expanded Text Ads](#) and add Responsive Search Ads (RSA) to your ad groups as an efficient way to swiftly change your text ad messaging.
- Use ad customizers and IF functions where applicable. Use audiences to land effective messaging.
- Shopping: Use Local Inventory Ads to indicate availability of items and adjust product group bids based on inventory changes.
- Shopping: As your inventory levels grow, re-evaluate your product group strategy and product prioritization to meet your campaign goals.
- Check the extensions you're using. Use "delivery, curbside pickup, other services" that are unique and applicable to your business.

### Keywords

- Monitor keyword recommendations specific to your account surfaced in Microsoft Advertising user interface.
- Continue to use "Broadience" (broad match + audience targeting) to help you expand reach and identify new opportunities after the initial period of greater volatility has passed.
- Reevaluate strategy on keywords around delivery, curbside pickup, fees waived (COVID-19-terms are restricted).
- To capture newly emerged queries, create or reactivate Dynamic Search Ads (DSA) as a "catchall" with a lower bid and use tools like [Microsoft Advertising Intelligence](#) and [Keyword Planner](#).

### Audience

- Reevaluate Remarketing list frequencies (ex: 1, 3, 7, 14, 30 days) to target customers still looking to purchase.
- Use In-market Audiences to target customers who are in-market for your product (especially for areas of opportunity for you).
- Use Product Audiences (dynamic remarketing) to maximize the performance of your shopping ads.
- Create a separate Audience Ads campaign to reconnect with your ideal audience in high-quality and brand-safe native placements.
- Add images to your search campaigns to expand your audience reach and drive increased performance.
- Refine targeting settings to reflect consumer trends for your business around geographies, time of day, etc. Use the [Bing COVID-19 Tracker](#) to help.

### Bidding

- Once the market has "leveled" out and fluctuations have lessened, begin moving back to automated bidding with adjusted targets.
- When using manual bids, monitor SOV to adjust bids and leverage ECPC.
- Ensure you are setup for real-time success if you are re-entering the auction by leveraging first page bid recommendations in the UI.

### Budget

- Begin planning for increases (or decreases) in campaign budgets as the markets shifts from greater volatility to a new normal.
- Monitor SOV to adjust budgets based on new trends, inventory, etc.

# Checklist

## New opportunities

### Ads

- Ad rotation should be set to [optimize](#).
- Check your editorial rejections as COVID-19-related terms are disallowed.
- Efficiently replicate your marketing messaging strategy changes in your text ads. Replace any standard text ads with [Expanded Text Ads](#) and RSA (standard text ad volume will begin to decline April 1).
- Use ad customizers and IF functions where applicable. Use audiences to land effective messaging.
- Search partners: Expand your reach to a wider audience across all devices on proven, reputable and tested sites.
- Check the extensions you're using. Use "delivery, curbside pickup, other services" that are unique and applicable to your business.

### Keywords

- Monitor keyword recommendations relevant to your business surfaced in the Microsoft Advertising user interface.
- Use "Broadience" (broad match + audience targeting) to help you expand reach and identify new opportunities once the volatility has settled.
- Monitor keywords and consider relevant terms around delivery, curbside pickup, fees waived (COVID-19-terms are restricted)
- To capture emerging queries, use Dynamic Search Ads (DSA) as a "catchall" and use tools like [Microsoft Advertising Intelligence](#) and [Keyword Planner](#).
- Use the Google Import tool to expand your reach by automatically mirroring your Google Ads campaigns and changes on Microsoft Advertising.

### Audience

- Create Remarketing lists with more recent frequencies (ex: 1, 3,7, 14, 30 days) to target customers still looking to purchase.
- Use In-market Audiences to target customers who are in-market for your product (especially for areas of opportunity for you).
- Product Audiences (dynamic remarketing) can help you take your shopping ads to the next level with increased performance.
- Use Product Ads on the Microsoft Audience Network to expand your reach and get your products in front of customers where they are today.
- Add images to your search campaigns to expand your reach and connect with customers in new places on the Microsoft Audience Network.
- Refine targeting settings to reflect consumer trends for your business around geographies, time of day, etc. Use the [Bing COVID-19 Tracker](#) to help.

### Bidding

- Balance between using automation and manual reviews. Monitor [auto-bidding](#) but keep a close eye to adapt to a fluctuating marketplace.
- Adding Enhanced CPC will leverage auction-time signals.
- Review your smart targets, adjusting as needed if your targets shift, for example target cost per conversion.

### Budget

- Plan budgets to meet the increased traffic demands by monitoring SOV.
- Allocate additional budget to your current best-performing ads and products.
- Monitor your daily budgets and adjust as needed with the changing environment.



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