

# Auto consumer insights (U.S.)



Emerging query trends

# Marketplace signals – U.S. auto search behavior

## Emerging queries signal guide



### Act fast!

Queries advertisers can respond to by adjusting ad copy or keywords

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### Monitor!

Queries that presently do not have enough volume to act on but reveal new behavior, or queries to monitor for marketplace recovery signs

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### Caution!

Queries that signal negative or concerning consumer behavior



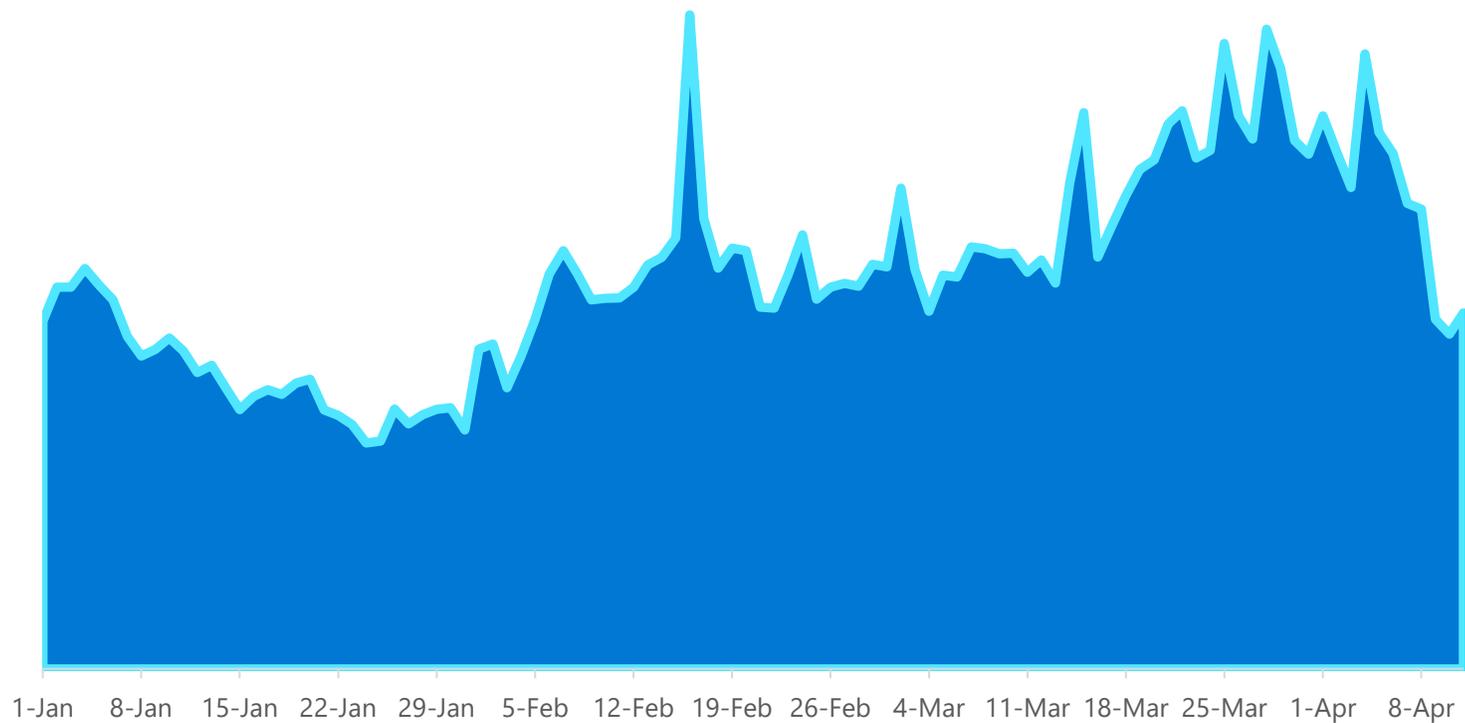
# Act fast! Emerging queries

High volume and rising



# Shoppers are increasingly looking for “near me” queries, which are up 22% in the last 30 days over the prior 30-day period

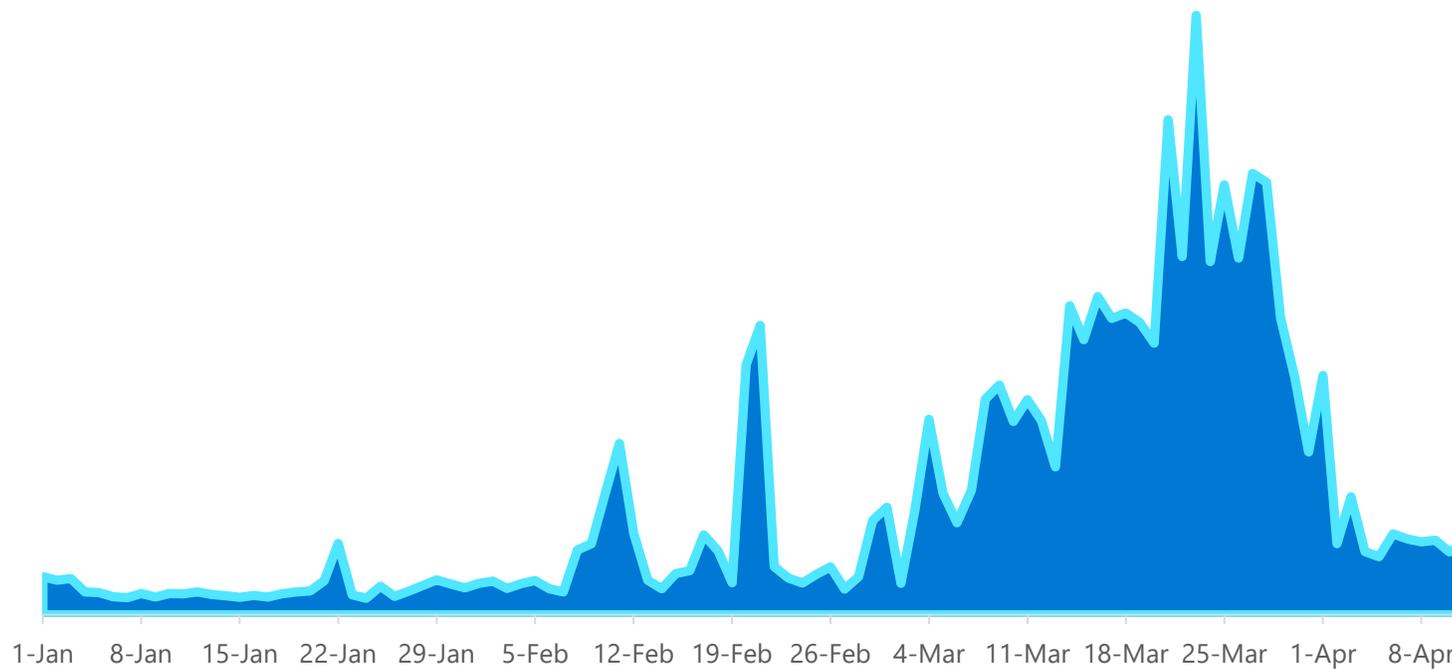
Search volume for “near me” queries



Top growing queries post period vs. pre-period	Growth
[OEM model] dealer near me	182.2x
new [OEM model] sale dealers near me	87.7x
buy new [OEM make] truck dealer sale near me	33.1x
lease new [OEM model] dealership near me	30.2x
[OEM model] near me	26.6x

# Shoppers are showing an increased interest in affordability, still up 85% year to date (YTD) despite the recent pull back

Search volume for "affordable" queries



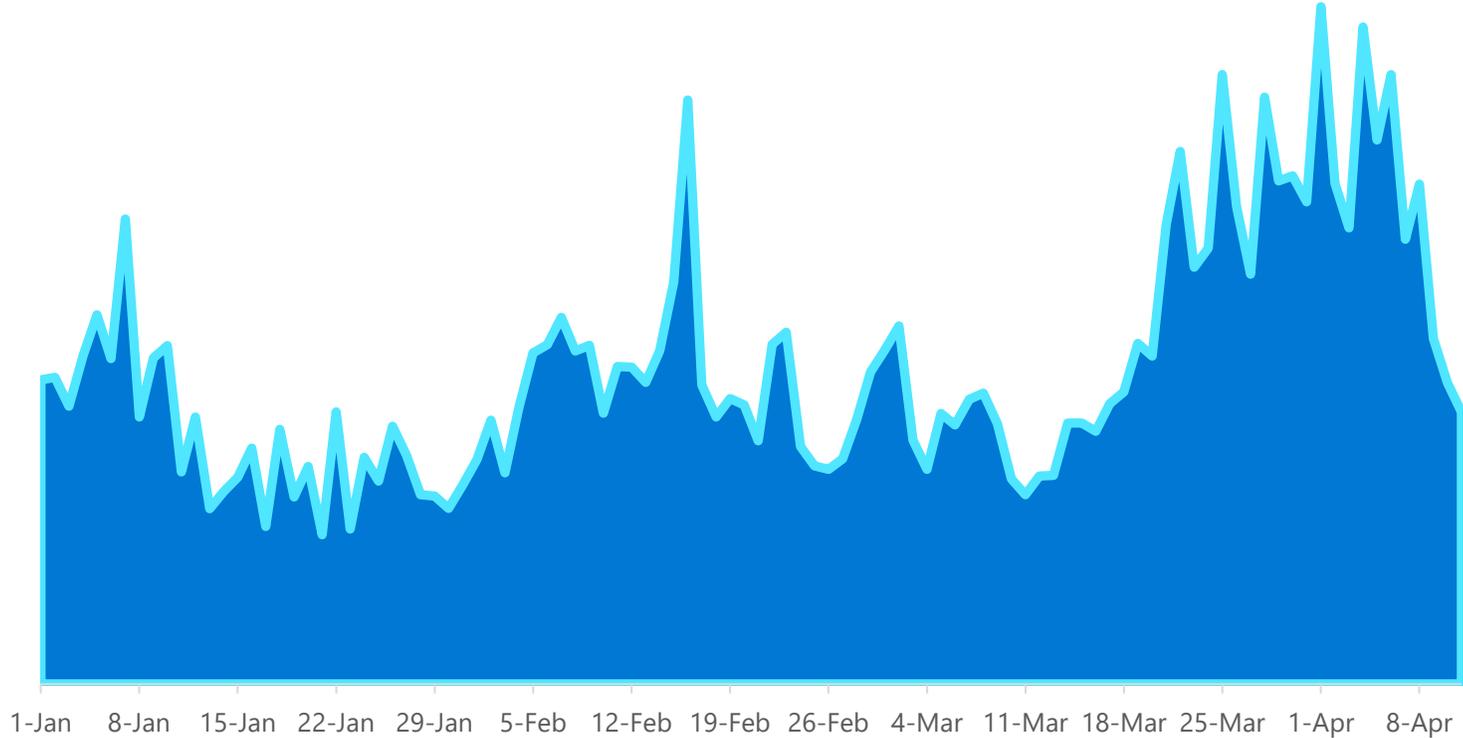
Source: Microsoft Internal Data 1.1.2020 – 4.11.2020

Top growing queries post period vs. pre-period	Growth
affordable new midsize suvs	25.6x
affordable luxury cars	3.3x
affordable luxury sports cars	2.7x
affordable luxury crossover suv	2.1x
affordable luxury cars 2020	1.8x
top affordable luxury cars	1.7x

# “Leasing” queries are up 51% in the last 30 days over the prior 30 days, indicating consumer interest in more affordable payments



Search volume for “leasing” queries



Top growing queries post period vs. pre-period	Growth
lease new [OEM make] dealership near me	30.2x
lease [OEM model]	18.1x
lease new [OEM model] deals near me	8.9x
lease [OEM model] dealer deals	8.5x
2019 suv lease deals	8.1x

Source: Microsoft Internal Data 1.1.2020 – 4.11.2020  
 Last 30 days 3.13.2020 -4.11.2020 vs. 2.12.2020 -3.12.2020



# Monitor! Emerging queries

Low volume but rising

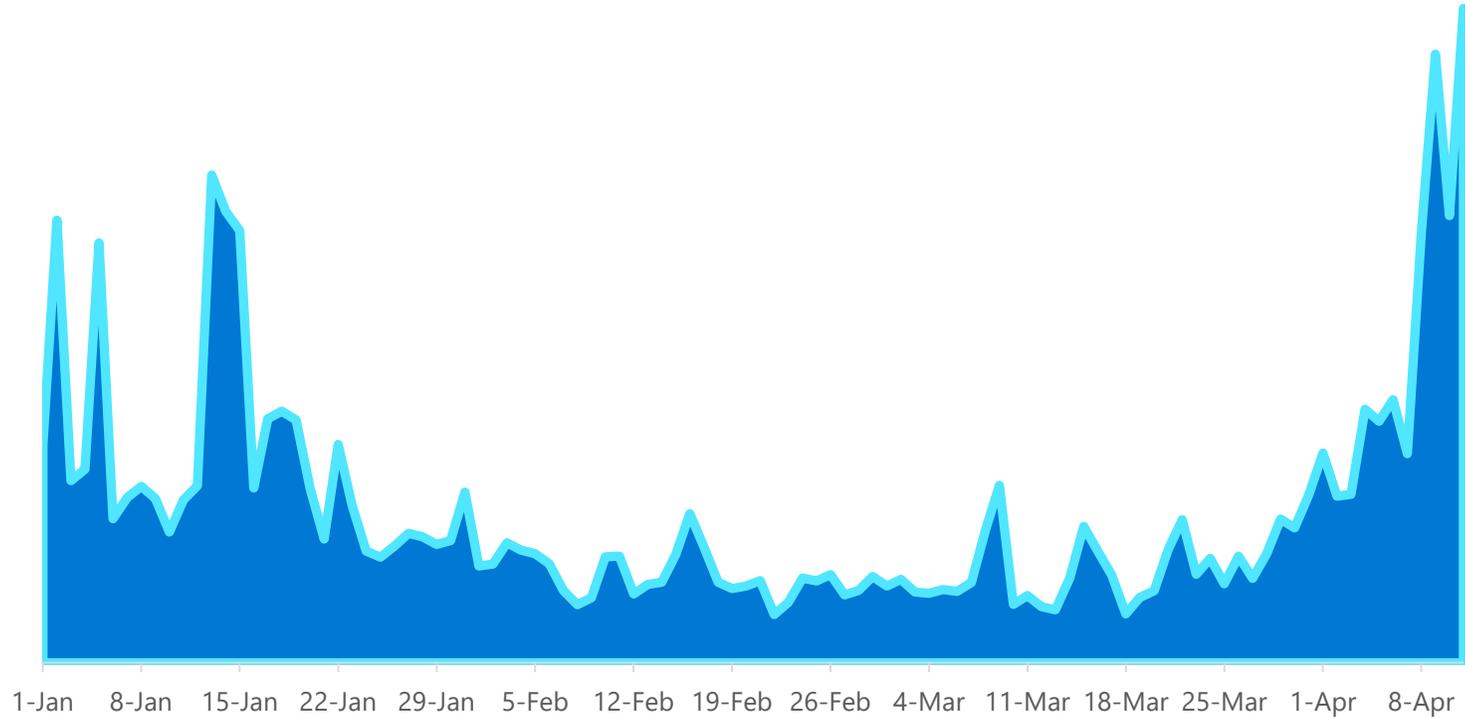


Historically, many dealerships considered online sales a threat to their showrooms. Now, however, these same dealers consider online sales their last chances for salvation during this pandemic.

# While searches for buying cars online are still nascent, they indicate an evolving trend as shoppers adjust to the new environment



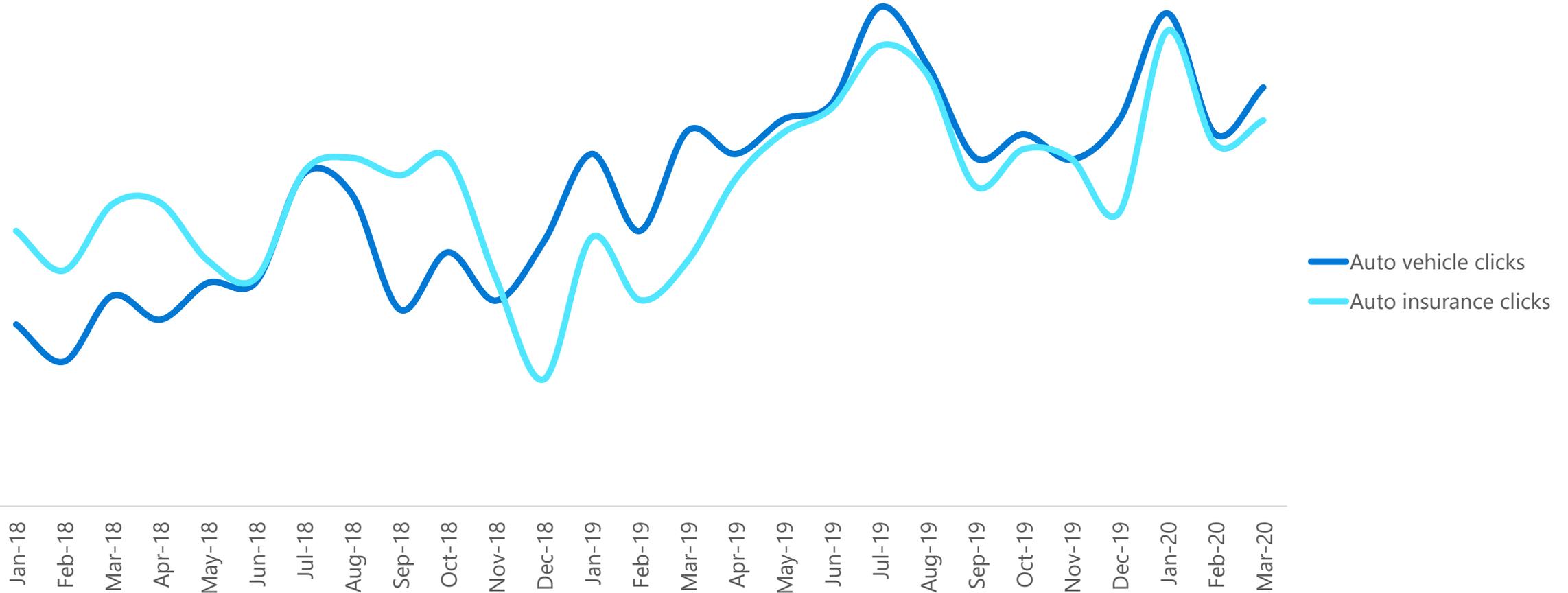
Search volume for "online" queries



Top growing queries post period vs. pre-period	Growth
order car online	59.2x
[OEM model] online	13.5x
online car search	6.7x
online car dealers	5.9x
online car purchase	4.9x

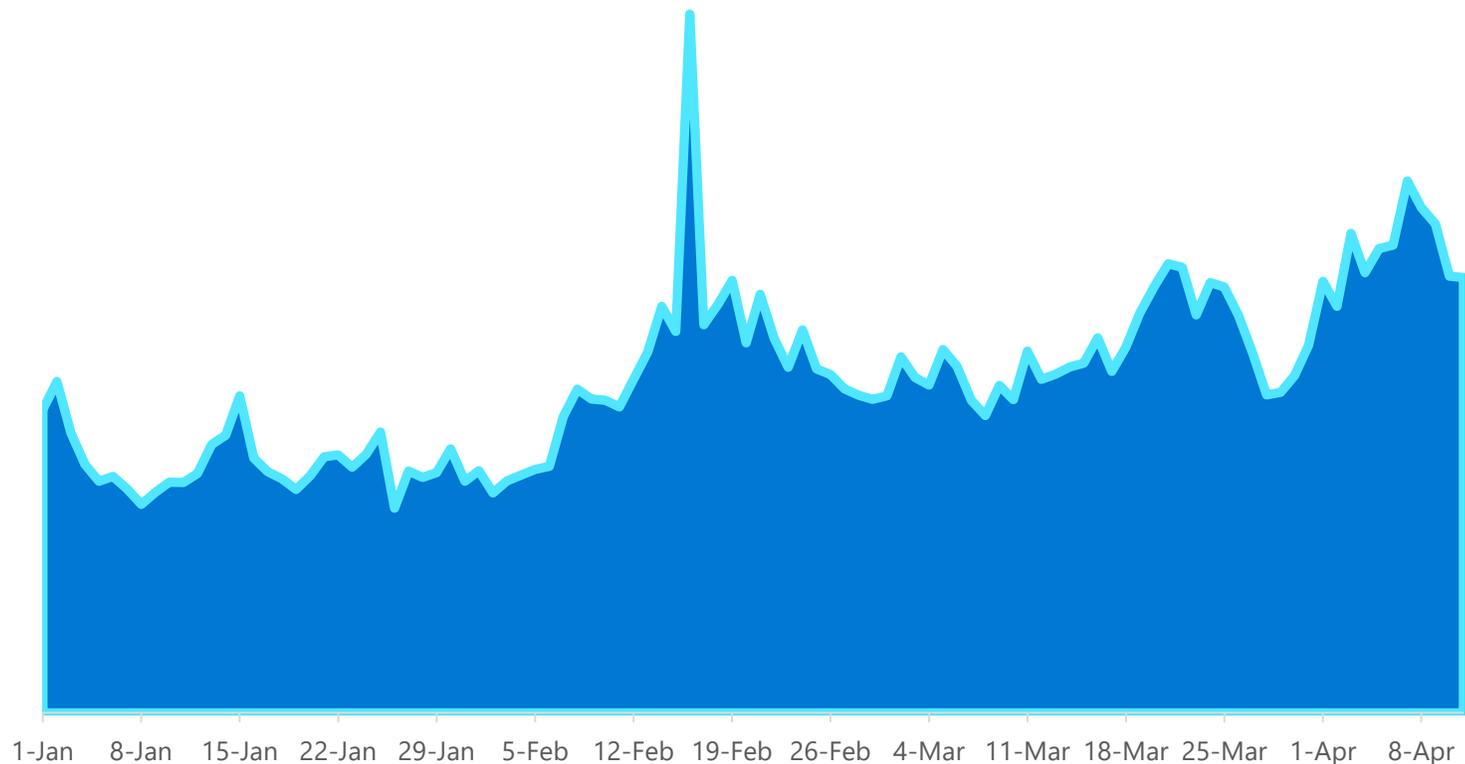
Source: Microsoft Internal Data 1.1.2020 – 4.11.2020

# Auto insurance clicks and auto vehicle clicks closely follow each other; the relationship between them is 99.9% statistically significant



# Auto insurance searches are up 43.6% YTD driven by consumer comparison shopping to reduce premiums

Search volume for "auto insurance" queries



Source: Microsoft Internal Data 1.1.2020 – 4.11.2020

It will be important to continue to monitor this auto insurance activity as it can be reflective of a marketplace rebound for vehicles

Current increases are driven by consumers looking to reduce premiums as they are not on the road

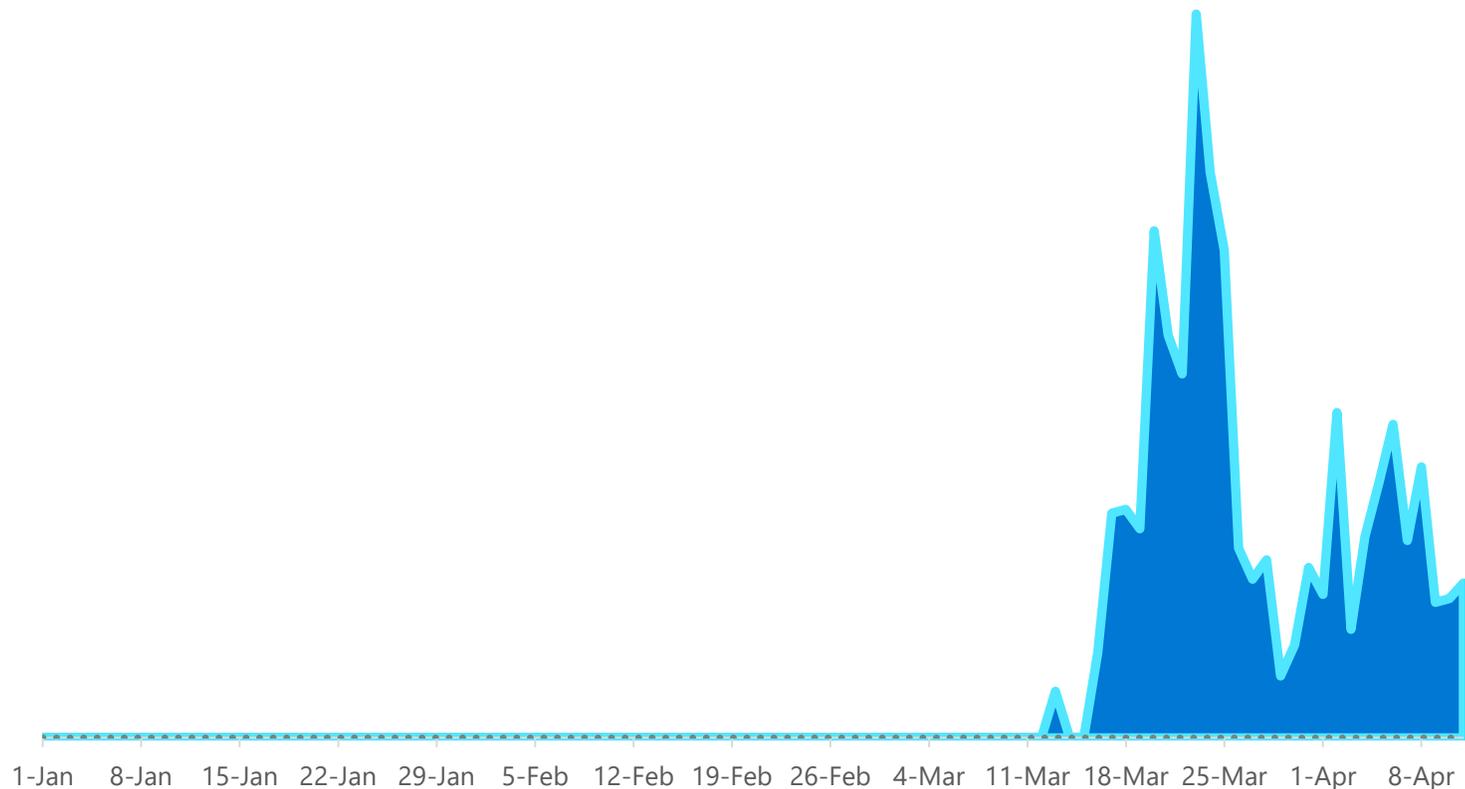
#### Top post-period "insurance" queries

- auto insurance
- auto insurance quotes comparison
- auto insurance quotes
- cheap auto insurance us
- compare auto insurance
- affordable auto insurance

As of April, around 40 U.S. states permit vehicle sales, albeit with restrictions. For shoppers, dealership operating hours and availability remain uncertain and everchanging.

# Users are seeking to understand which dealerships are “open” as the situation unravels differently across the country

Search volume for “open” queries



Source: Microsoft Internal Data 1.1.2020 – 4.11.2020

**Queries around dealerships being open were only seen around holidays in 2019**

**Post-period “open” queries**

- are car dealerships open today
- are car dealerships open
- car dealerships open
- are car dealers open today
- are car dealers open
- car dealers open
- car dealerships open today
- are car dealerships opened
- open electric car charging station

**Creating clarity for shoppers will be increasingly important during these uncertain times**



# Caution!

## Emerging queries

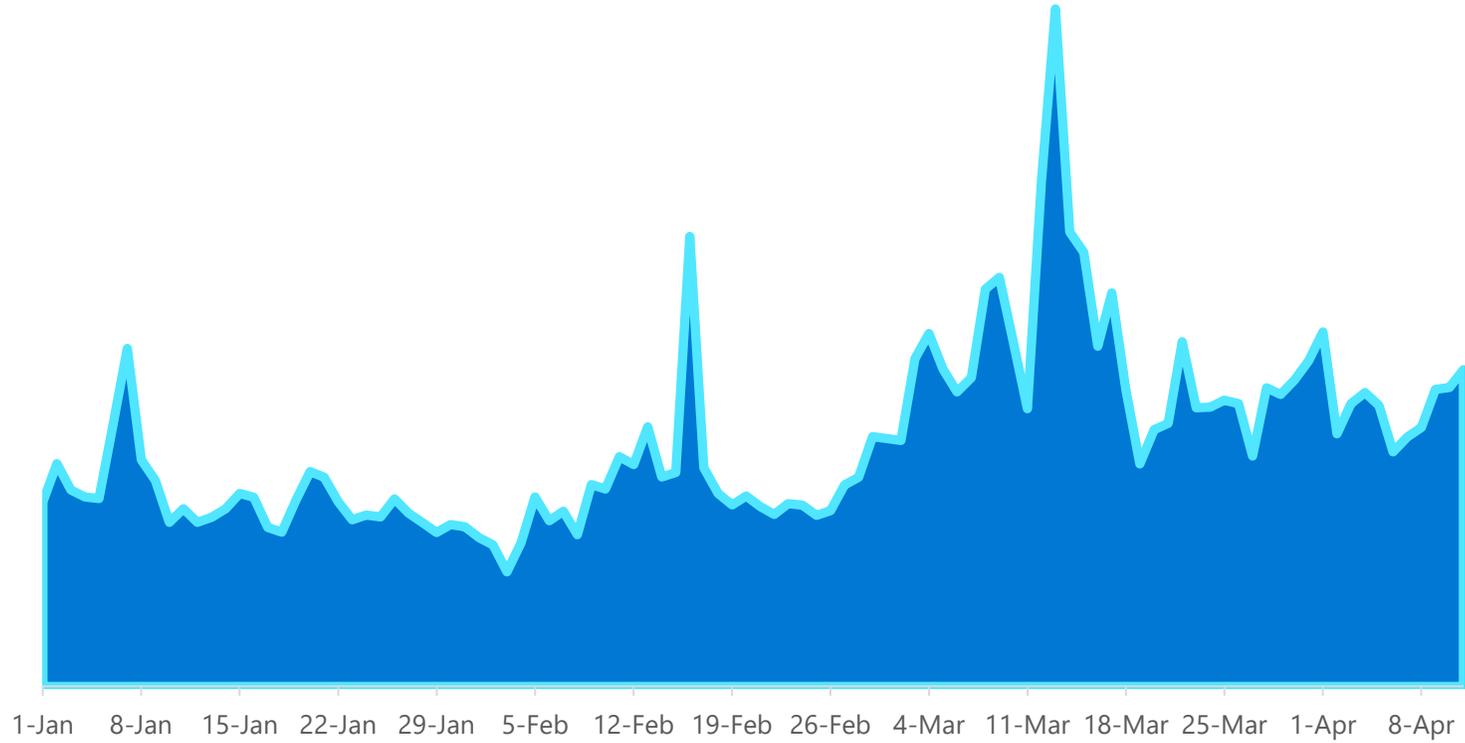
Adverse and unfavorable volume

According to IHS Markit, incoming reports point to auto sales being down anywhere between 30-40% for March. Car sales are driven by credit, employment and consumer confidence, all of which are currently trending unfavorably.

# Searches for “cheap” vehicles are on the rise, up 71.4% YTD with a particular emphasis in “used cheap” vehicles



Search volume for “cheap” queries

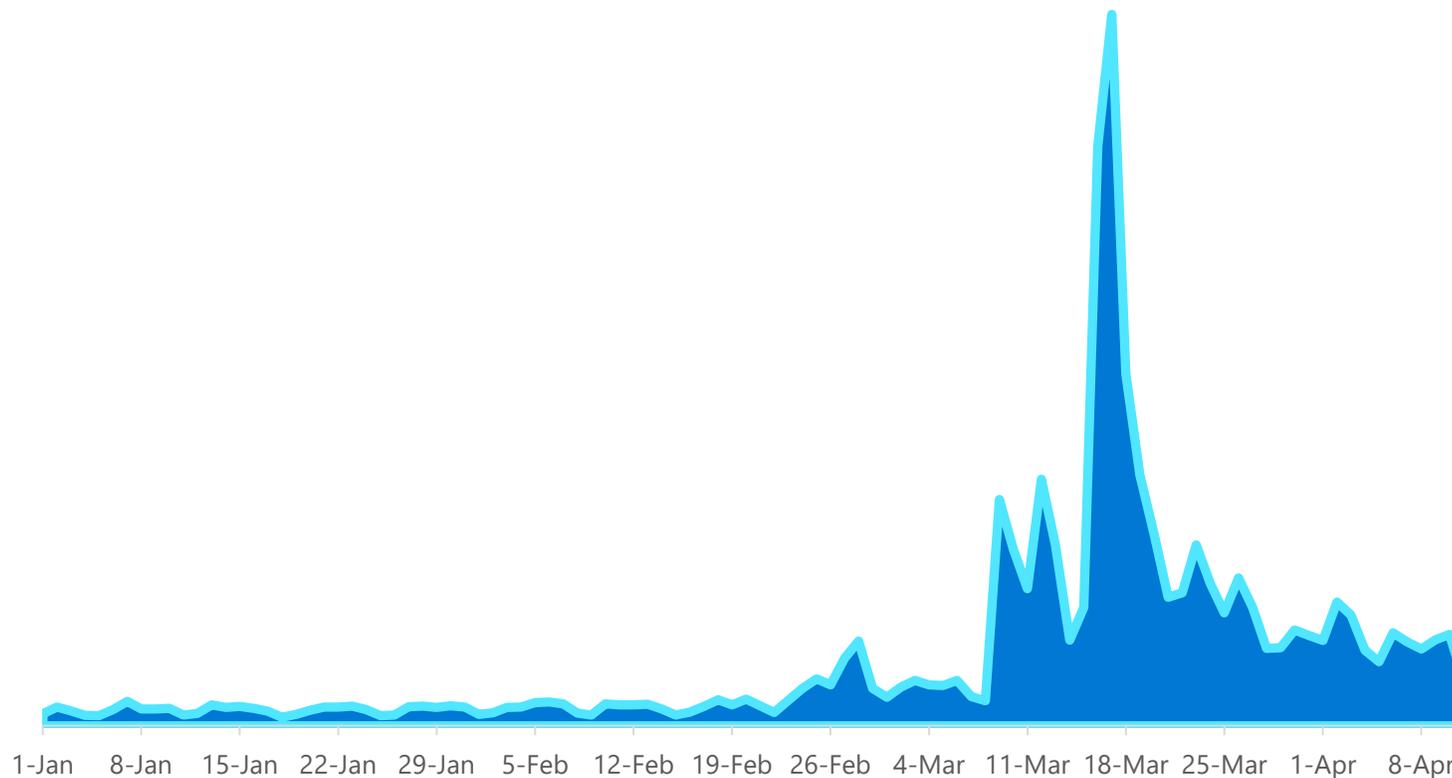


Top growing queries post period vs. pre-period	Growth
cheap cars near me	6.4x
cheap used suvs	4.3x
cheap used [OEM make] cars	3.2x
cheap [OEM model]	1.9x
cheap used [OEM make] trucks near me	1.7x

Source: Microsoft Internal Data 1.1.2020 – 4.11.2020

# Recession searches are up 296% YTD; consumers want to understand what constitutes a recession and whether we are in one

Search volume for "recession" queries



Source: Microsoft Internal Data 1.1.2020 – 4.11.2020

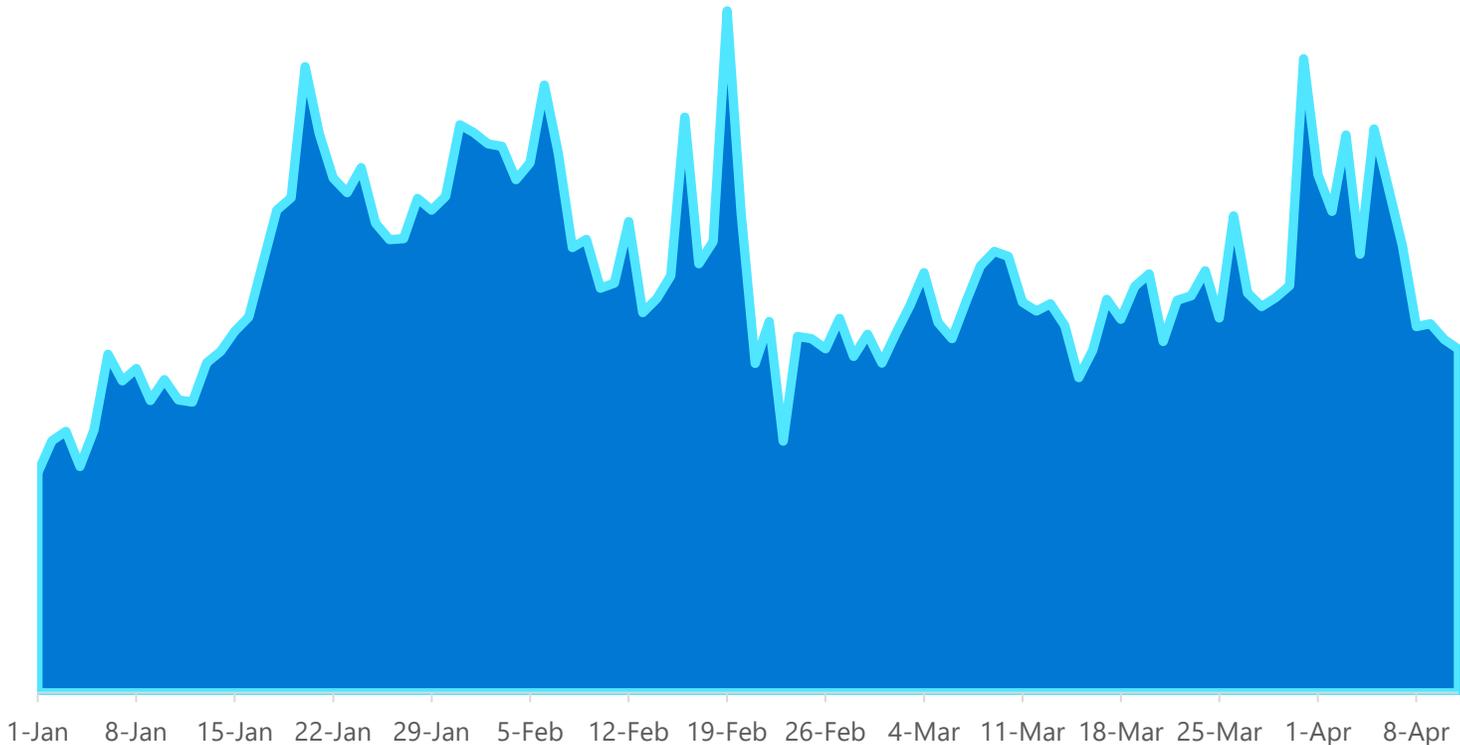
## Top growing queries post period vs. pre-period

Top growing queries post period vs. pre-period	Growth
depression vs. recession	21.7x
difference between depression and recession	15.7x
recession vs. depression	14.9x
what does recession mean	7.3x
what to do during recession	6.6x

# Searches for debt are up 56% YTD, as financial concerns become top of mind for consumers



Search volume for "debt" queries



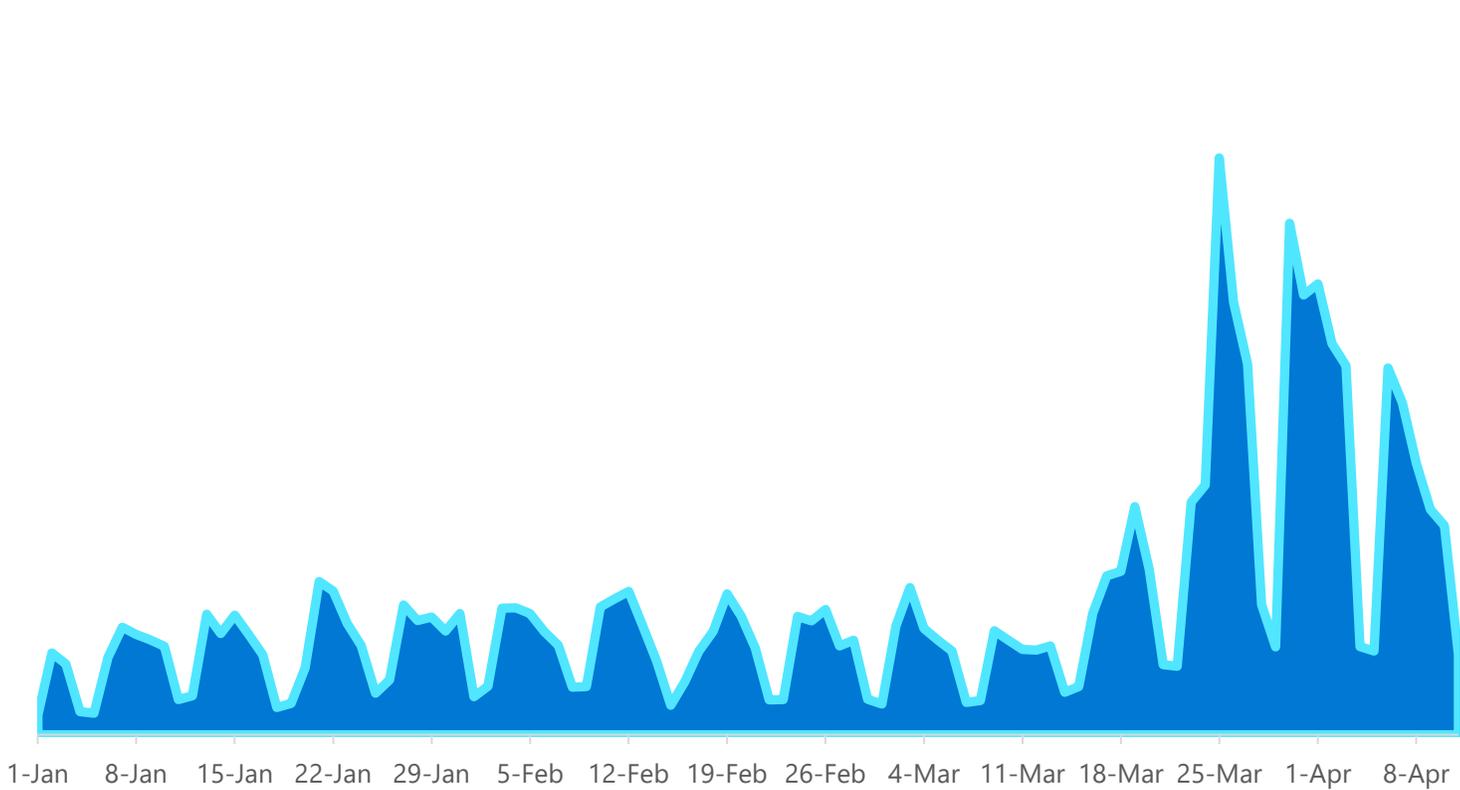
Top growing queries post period vs. pre-period	Growth
companies debt consolidation	12.9x
near me debt consolidation	12.1x
best debt loan consolidation	10.3x
consolidation loan debt best	7.4x
irs debt forgiveness	5.3x

Source: Microsoft Internal Data 1.1.2020 – 4.11.2020

# Record numbers of individuals are filing for unemployment; searchers are seeking hardship assistance, a sign of tighter wallets



Search volume for "hardship" queries



Top growing queries post period vs. pre-period	Growth
401K hardship withdrawal	2.4x
hardship program	2.0x
401k hardship withdrawal 2020	2.0x
financial hardship	1.5x
hardship letter sample	1.1x

Source: Microsoft Internal Data 1.1.2020 – 4.11.2020

# Emerging queries action items

## Act now!

- Tier 2 and 3 dealership advertisers: Include and prioritize “**near me**” in your **keywords** for incentives and dealership queries and reflect proximity in your **ad copy**
- Adjust **ad copy** to highlight **affordability** and financial considerations
- OEMs: Highlight clearly any incentive offers for **leasing**

## Monitor!

- Use **ad extensions** to emphasize the **online shopping tools** you have on your site for users searching purchase queries
- Use **remarketing lists** across advertiser tiers to keep users in-market for vehicles and looking for **open** dealerships engaged
- Use **Dynamic Search Ads** to match your ads more closely to queries and guide users to the appropriate landing page

## Caution!

- Third-party advertisers: promote used vehicles in your **ad extensions** for price conscious users searching for “**cheap**” vehicles
- Continue to monitor user queries related to macro trends (**e.g., recession debt, hardship**) to detect recovery signals in consumer sentiment



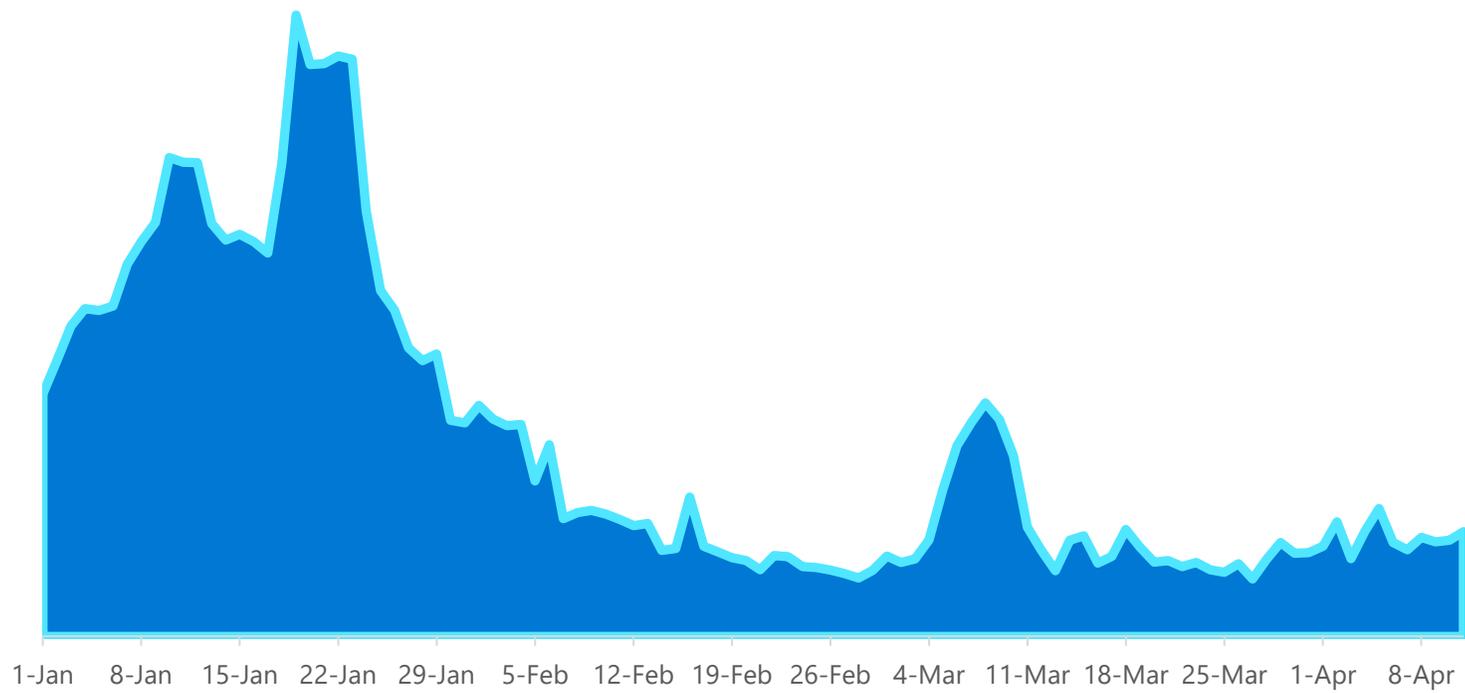
# Bonus: Fading! Emerging queries

Decreasing volume

# New car floor mats are often purchased for new vehicles, YTD these queries are down 56.7% indicative of a softening market



Search volume for "floor mats" queries



Top growing queries post period vs. pre-period	Decline
buy floor mats	-99.5%
floor mats rubber	-99.1%
original [OEM make] floor mats	-99.0%
buy fitted floor mats	-98.9%
automotive floor mats	-98.8%

Source: Microsoft Internal Data 1.1.2020 – 4.11.2020

# Strategies and recommendations

Learn immediate and recovery-phase strategies, and how to approach new opportunities and optimize account health in the [Digital Advertiser's Guide to COVID-19](#)



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