



COVID-19 impact on Apparel (DE)

March 31, 2020

Consumers are currently forced to spend time at home and might even be affected by reduced work hours and financial losses

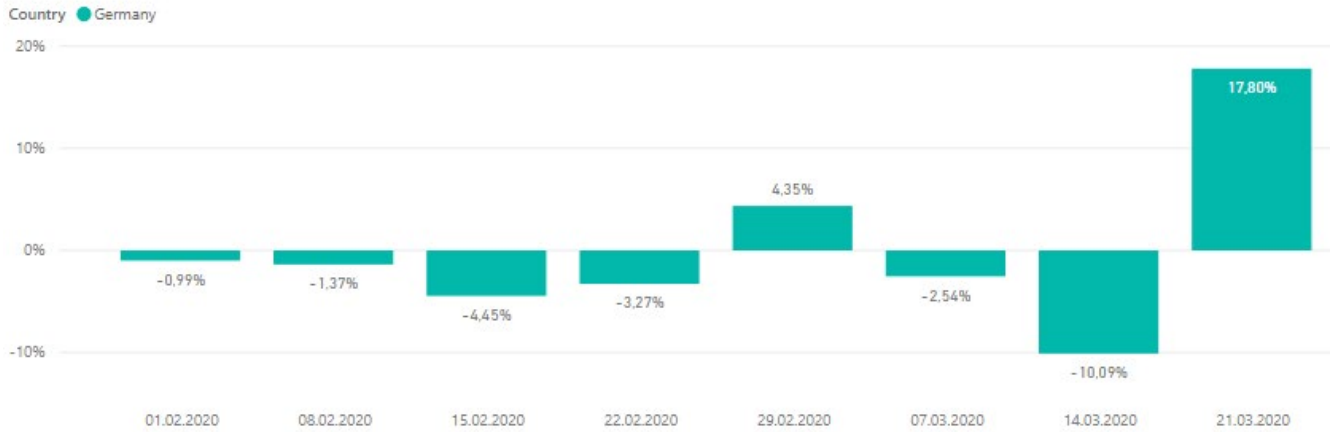
HYPOTHESIS

People will still need clothing and continue to explore apparel sites for seasonal items, from summer fashion to swimwear and running shoes

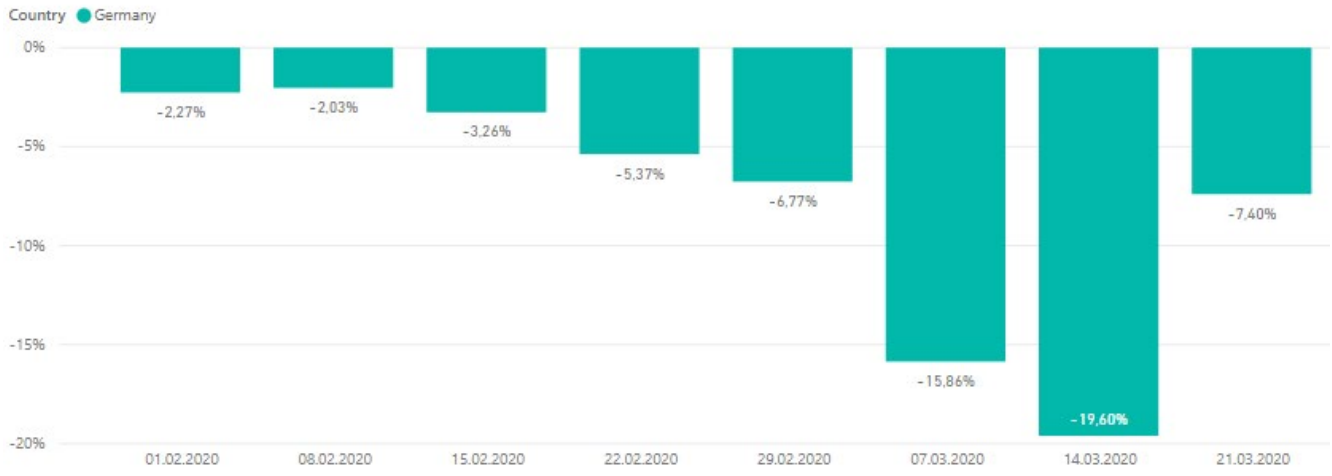
Retailers with uninterrupted supply chains and the ability to fulfill shipments will see increased interest in their online stores while brick-and-mortar stores are temporarily closed

COVID-19 has led to click volume decline, but there has been a positive trend seen in last week's data

Weekly Clicks WoW



Weekly Clicks YoY



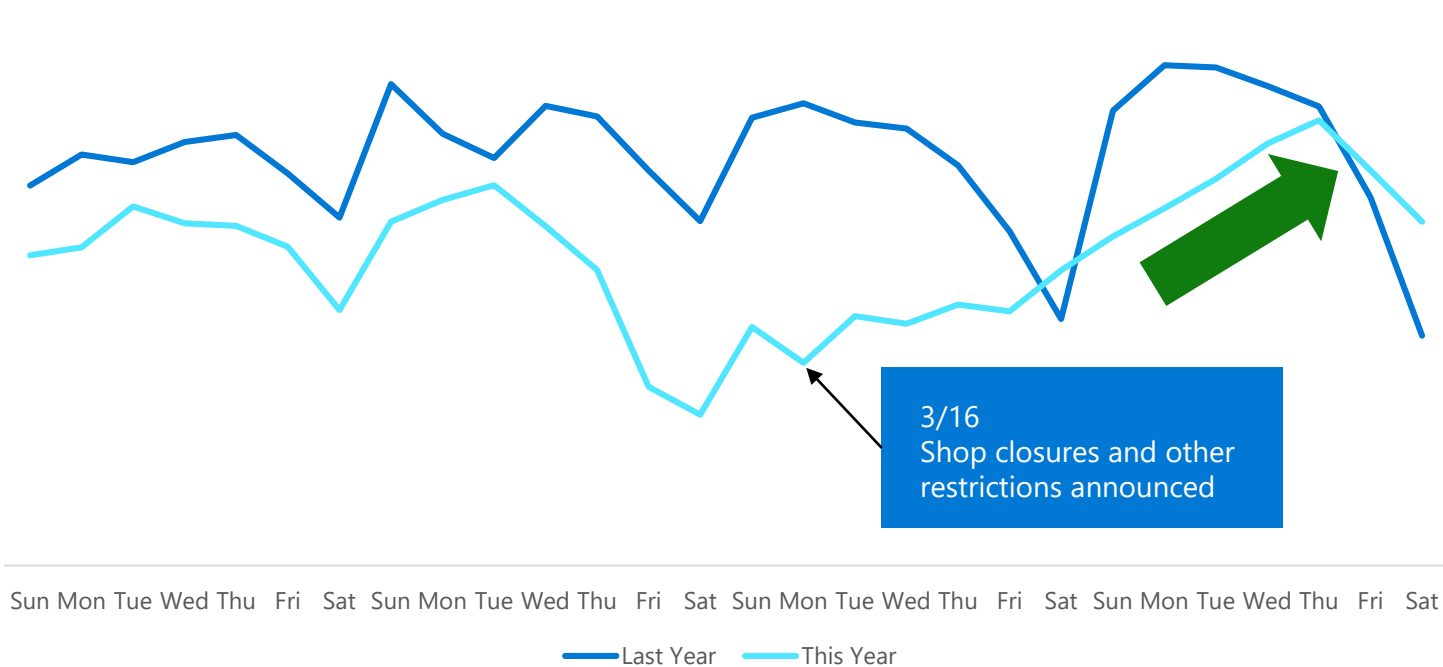
Weekly click growth is still trending negative year over year (YoY), but the week-over-week (WoW) view shows an increase in the last week of March. It is too early to say, though, if that positive trend will continue.



Source: Internal Data, Retail / Apparel Vertical , Germany; Feb/Mar 2020

Brand searches increased after brick-and-mortar stores closed down

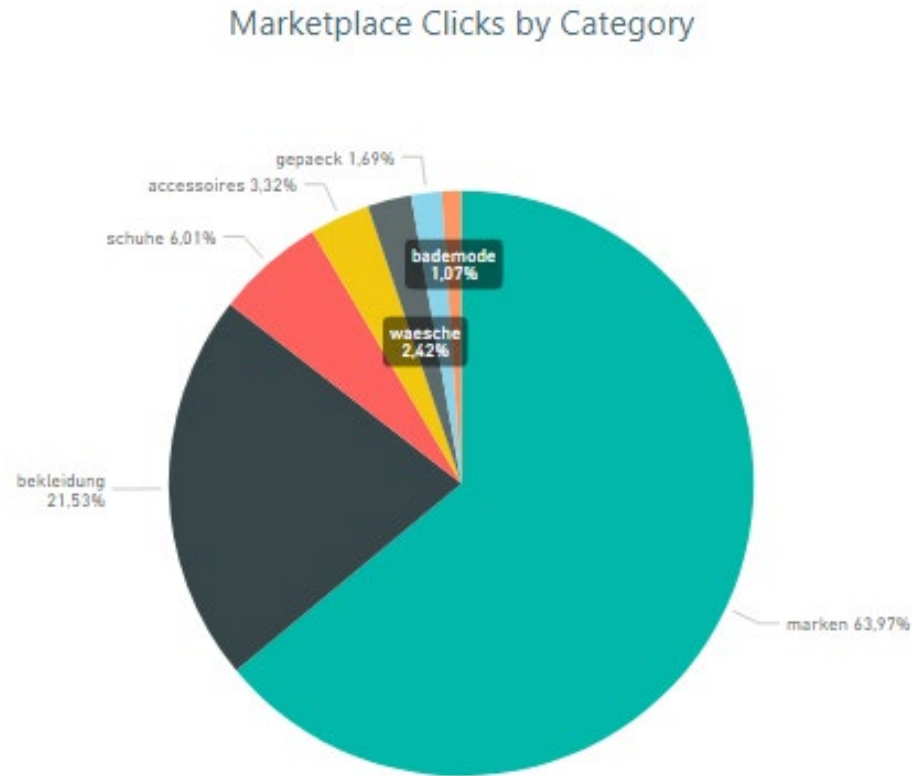
Brand searches in March



Searches for apparel brands trended below last year's volume, but there has been a constant increase after March 16

Interestingly, the typical Saturday gap—when search volume is low—did not appear on March 21 and was also much smaller on March 28 compared to last year. This indicates a slight shift in search behavior as the traditional work week model is interrupted.

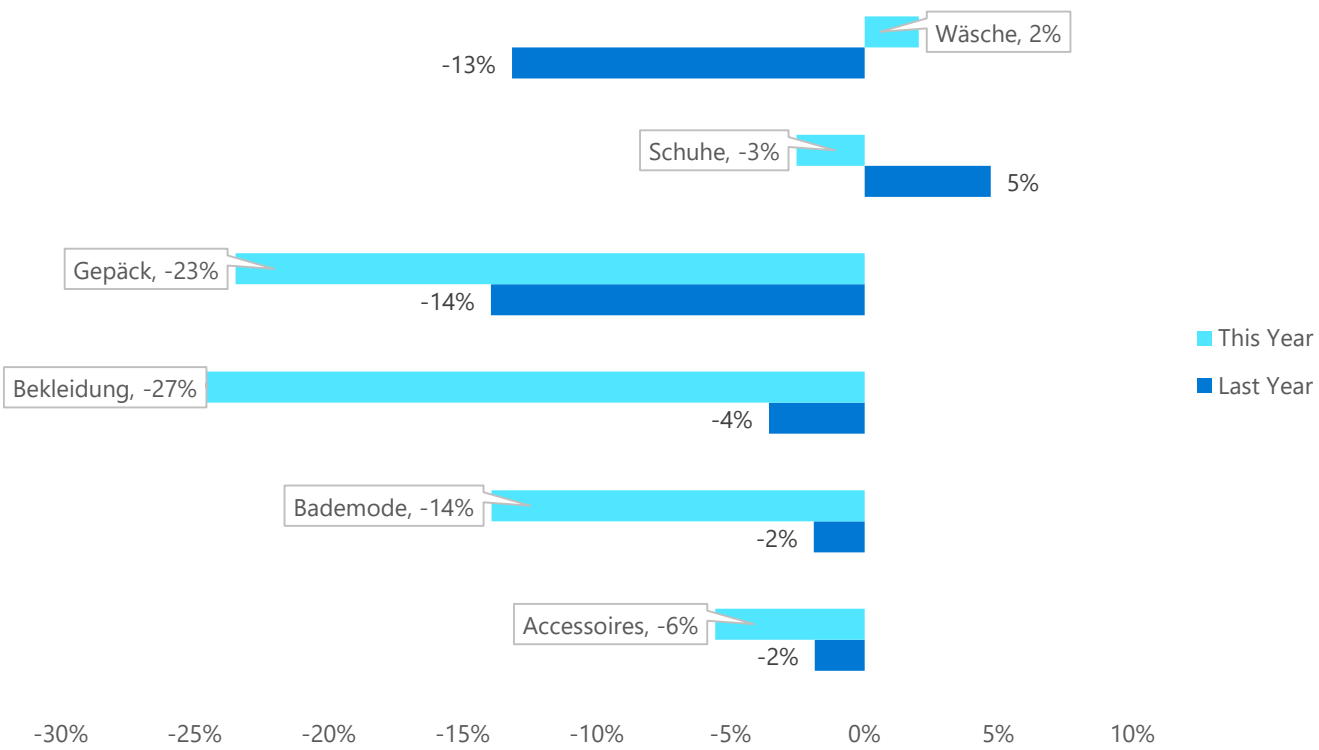
Brand searches account for 2/3 of all Apparel clicks



Apparel clicks are highly driven by brand affiliation, either through pure brand or brand combination keywords.

Generic product searches declined in the second half of March

Search volume changes, first half vs. second half of March



Except for Wäsche (which includes underwear, lingerie, pyjamas, socks, etc.), all apparel and accessories categories were in decline the second half of March. This trend was seen last year as well, however much less pronounced, except for Schuhe.

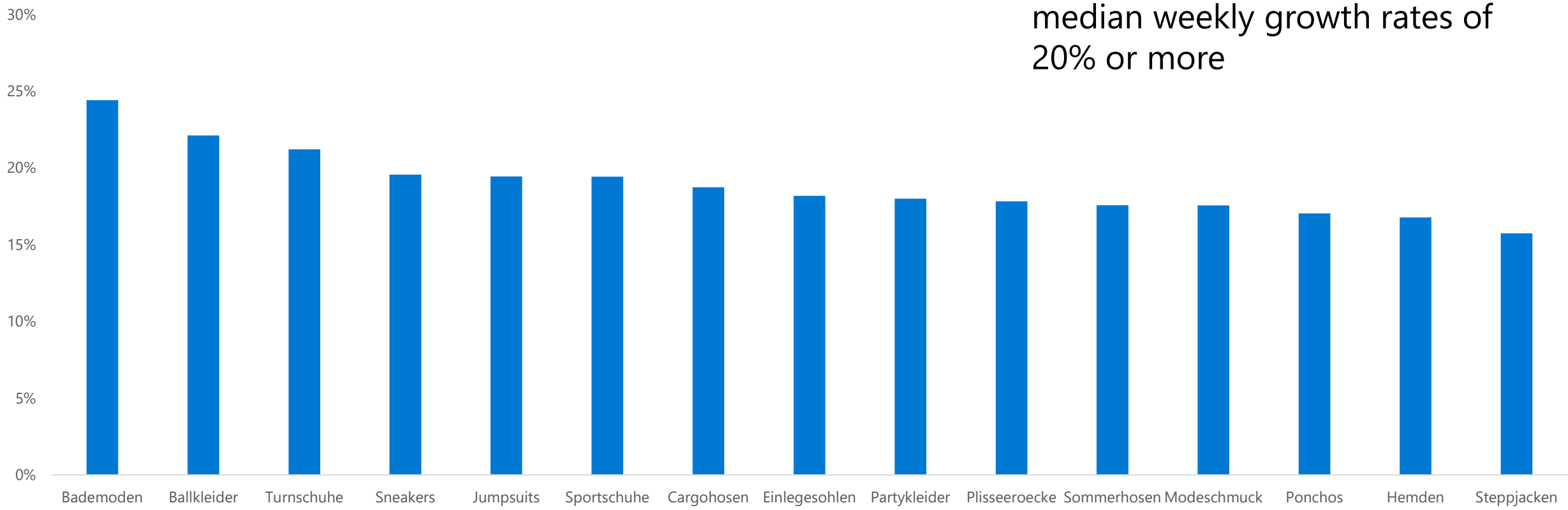


Source: Internal Data, Retail / Apparel, Top 100 Brand Queries; O&O, all devices, Germany; Mar 1- 28 2020 vs. March 3 – 30 2019

Until mid-March, Bademoden was the fastest growing product group

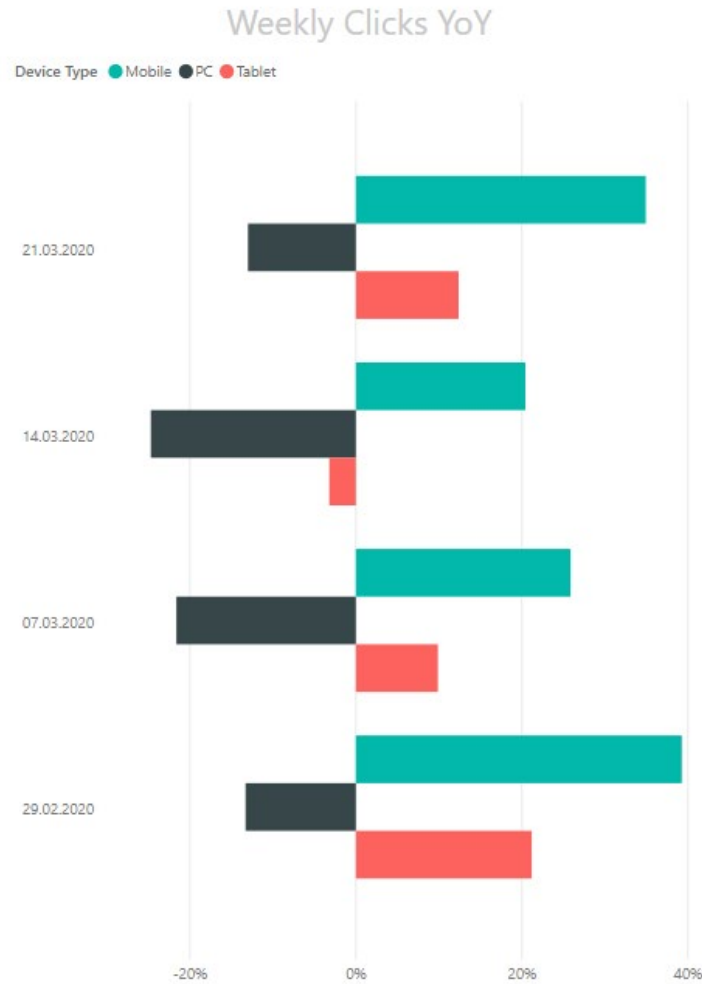
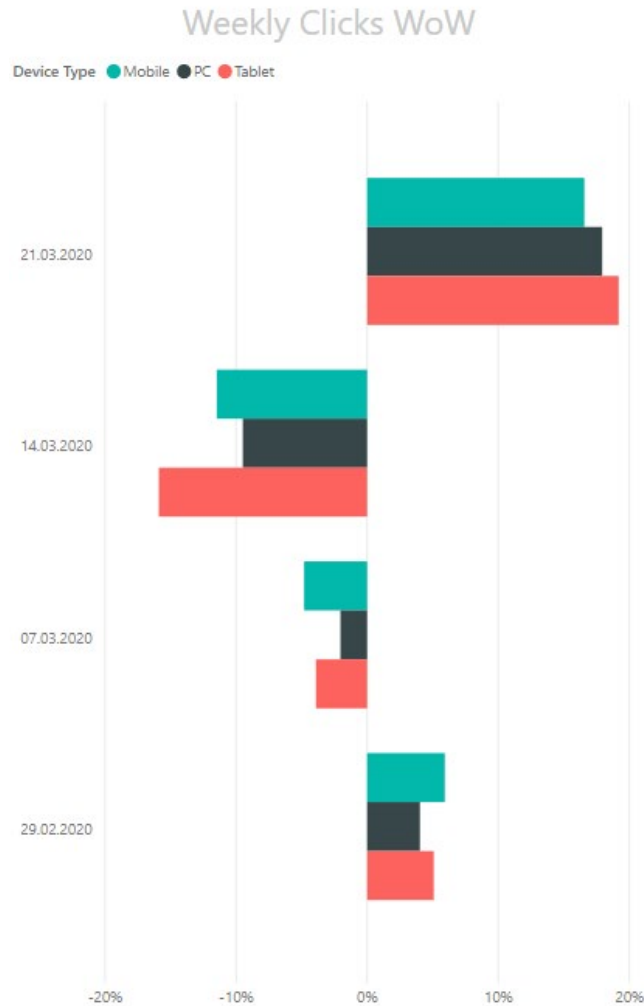
Turn- , Sport- und Laufschuhe and Ball- und Partykleider ranked also high in the list of most clicked products with median weekly growth rates of 20% or more

Growing products (median WoW growth)



Source: Internal Data, Retail / Apparel, Retail / Apparel, Sample base of 10,000 keywords, Germany; Mar 1- 28 2020 vs. March 3 – 30 2019

Mobile clicks are growing year over year



YoY, there has been a strong increase in mobile clicks, largely driven by syndicated partners

Desktop PC clicks in March still comprised 81% of all Apparel clicks; mobile 14% and tablet 5%

Top 10 keywords by category

Bekleidung	Schuhe	Wäsche	Bademode	Accessoires
kleider	schuhe	dessous	bademode damen	goldschmuck
abendkleider	sandalen	bh	badeanzug	schmuck
abendkleider online	sneaker	bhs	bikini	brillen
kleidung	schuhe auf rechnung	socken	bikinis	brille
jacken	stiefeletten	leggings	bademode	ohrringe
jeans	boots	lingerie	tankini	brille online kaufen
bekleidung	laufschuhe	shapewear	tankinis	handschuhe
sommerkleider	pumps	schlafanzug damen	badehosen herren	sonnenbrille
shirts	schuhe online	schlafanzug	badehosen	goldkette
partykleider	kinderschuhe	shapewear damen	damen badeanzug	gold kette

Key takeaways

Apparel searches are highly brand-driven; consumers have a clear preference

The impact of COVID-19 is difficult to predict but, as brick-and-mortar stores are being closed, increases in online activities and sales are expected. The week of March 21 was the first to show WoW growth.

There has been an increase in mobile Apparel clicks, although desktop PCs still account for 80% of all clicks

Seasonality has not changed: With spring approaching, Bademoden and Laufschuhe were amongst the fastest growing product categories



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