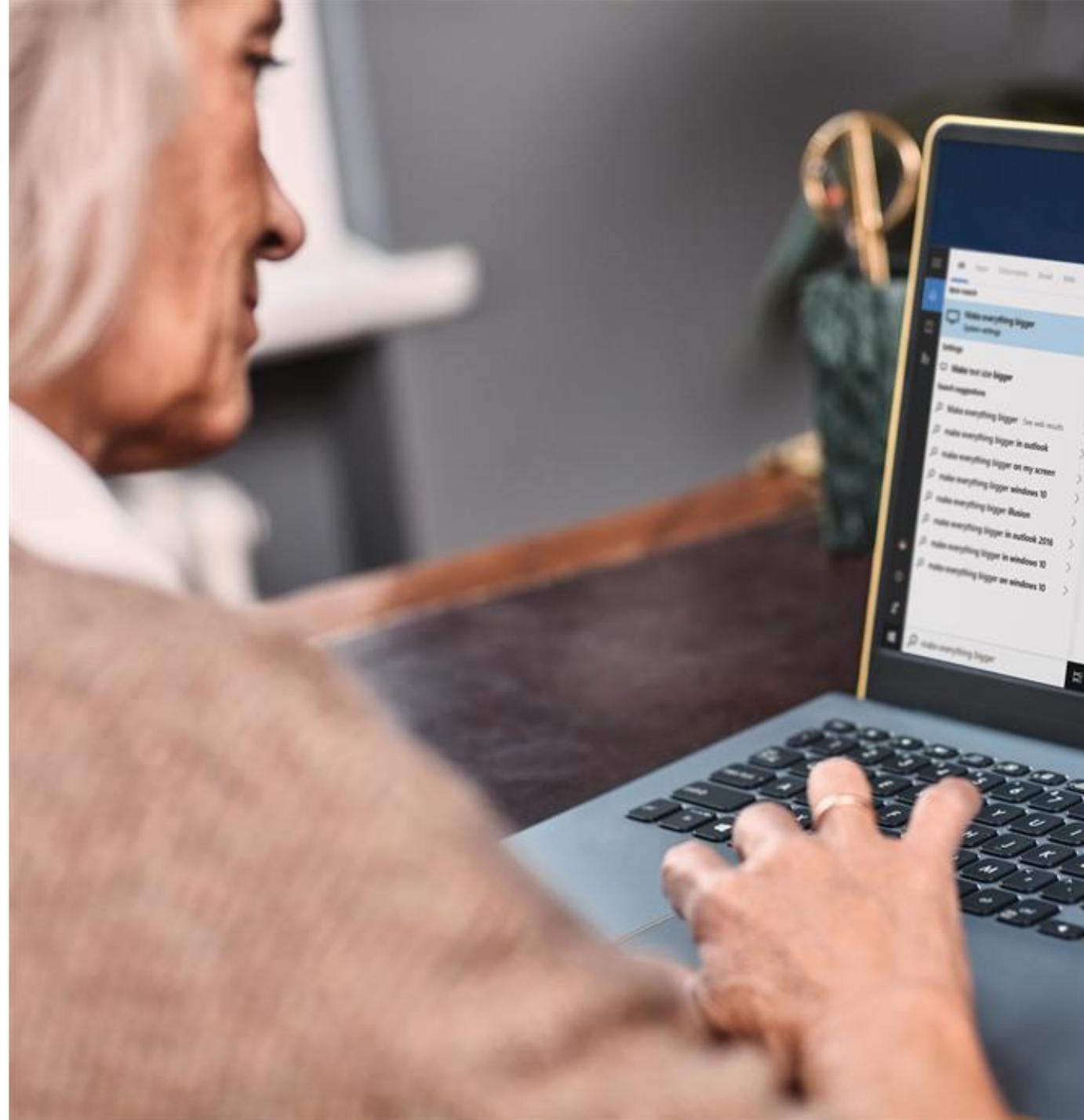




The changing online behaviour of a senior audience

Australia



Insights Teaser



- Seniors are more active online. On the Microsoft Search Network, we saw a 28% year-over year (YoY) increase in searches among the 65+ from January to June, 2020.
- Apply advanced demographic targeting to boost your campaign performance



- Seniors are actively interacting with multiple digital channels in their journey
- Power Search and Native advertising opportunities by leveraging Microsoft Audience Network to reach your target customer base



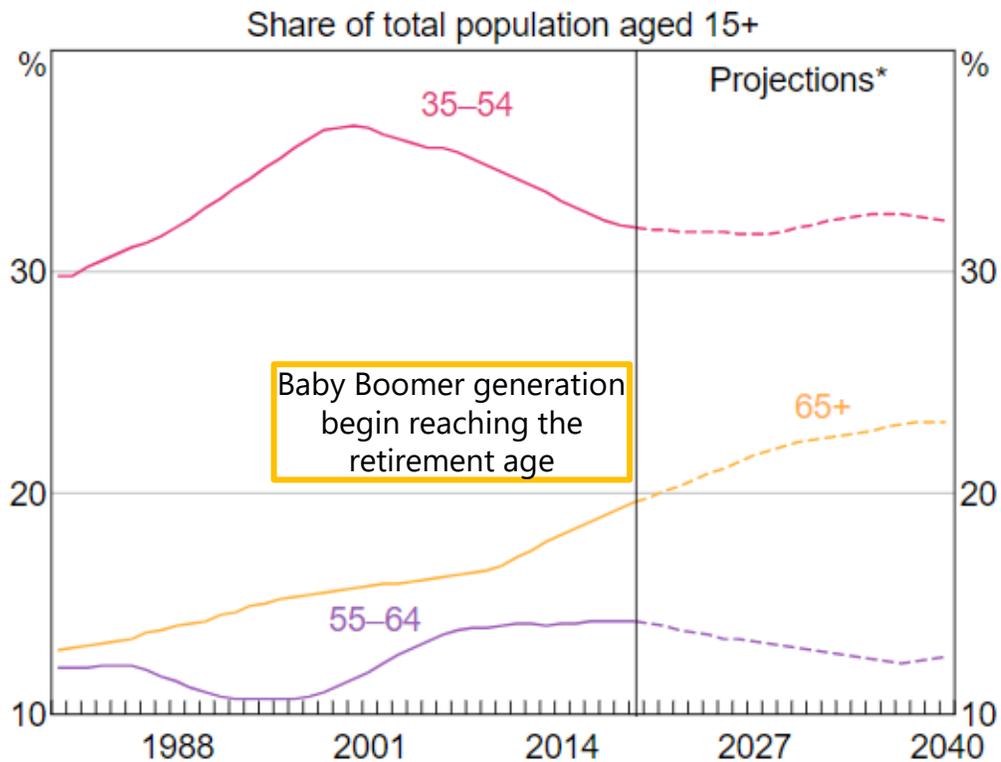
- Recommended focus industry:
 - Finance
 - Travel
 - Retail (Groceries, Apparel and Consumer Electronics)
 - Autos

Audience segment overview



While the Australian population is getting older, overall growth in household income and consumption has reduced

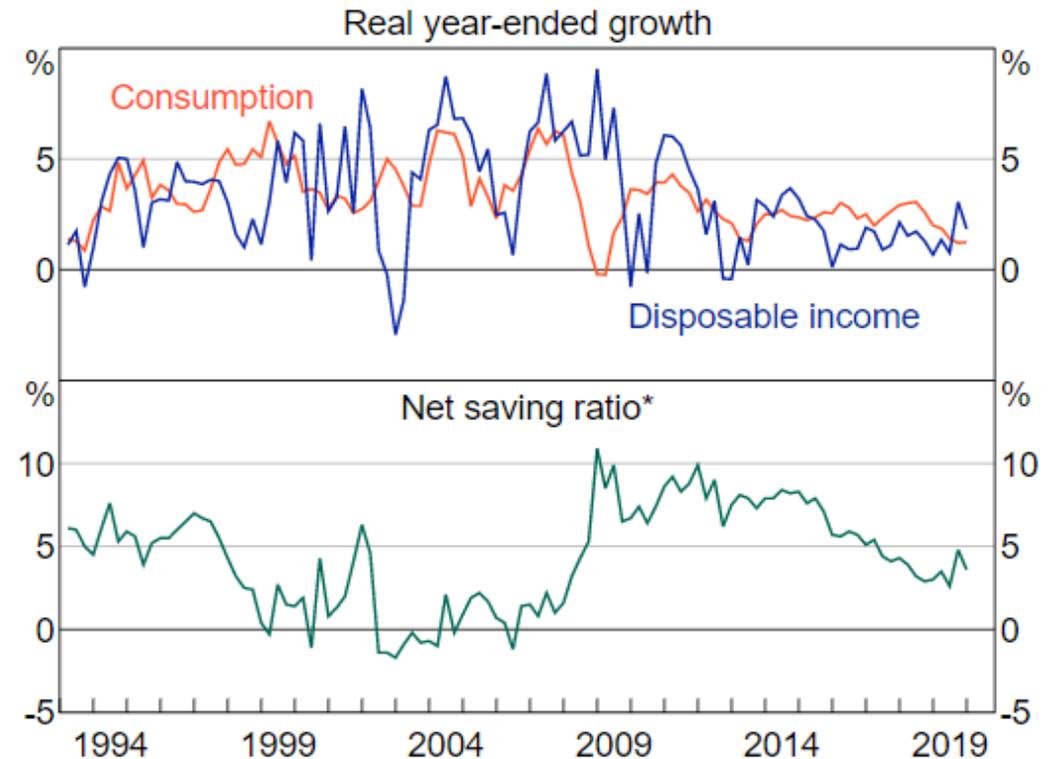
Population share trend by age



* ABS series B projections.

Source: ABS

Household consumption and income

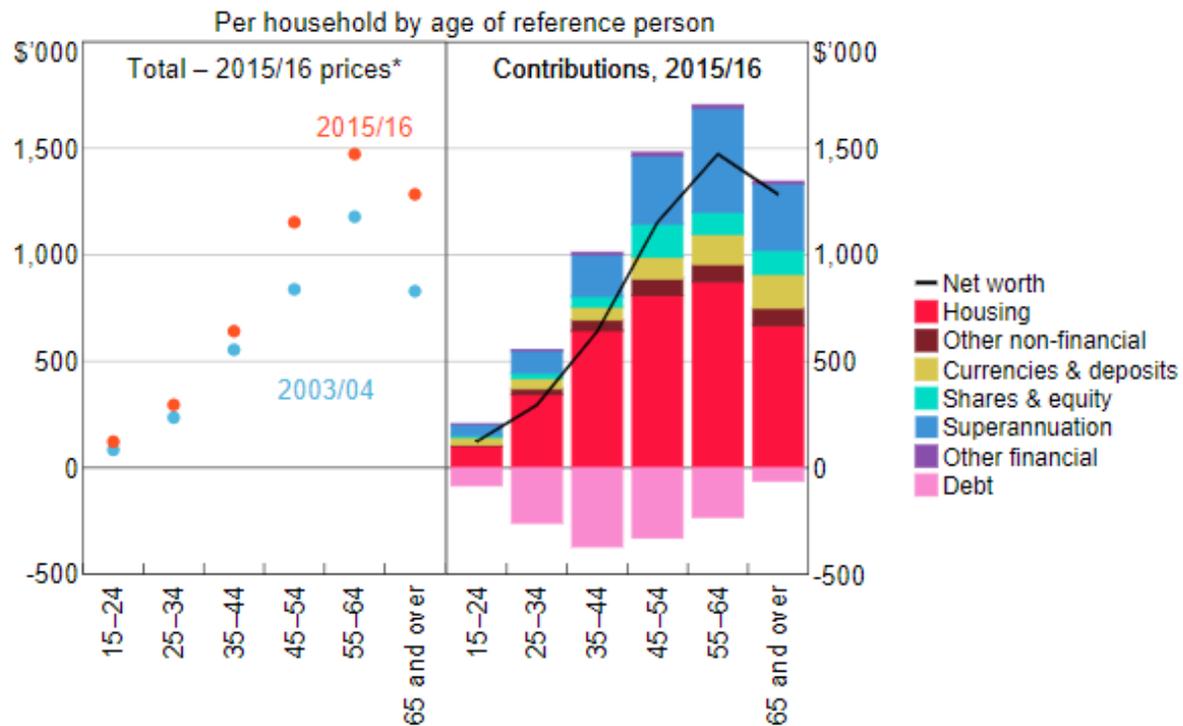


* Net of depreciation.

Sources: ABS; RBA

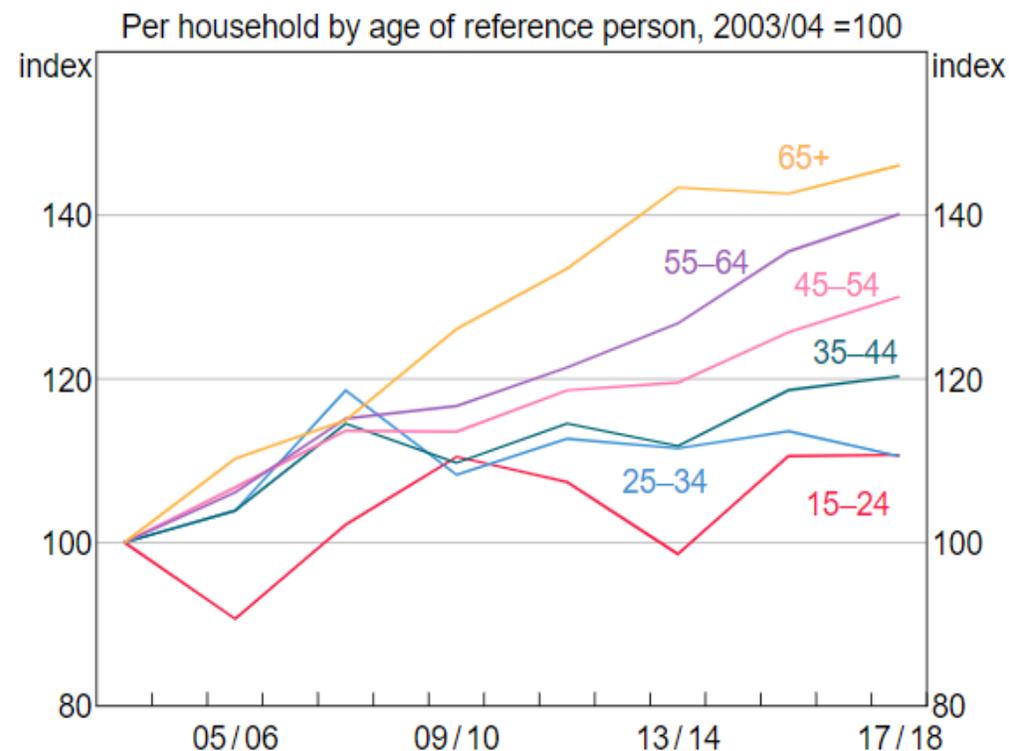
Older age groups are getting wealthier and leading the growth of spending

Net wealth by age



* Deflated to 2015/16 prices with the aggregate consumption deflator
Sources: ABS; RBA

Real household consumption



* Deflated with the aggregate household consumption deflator.
Sources: ABS; RBA

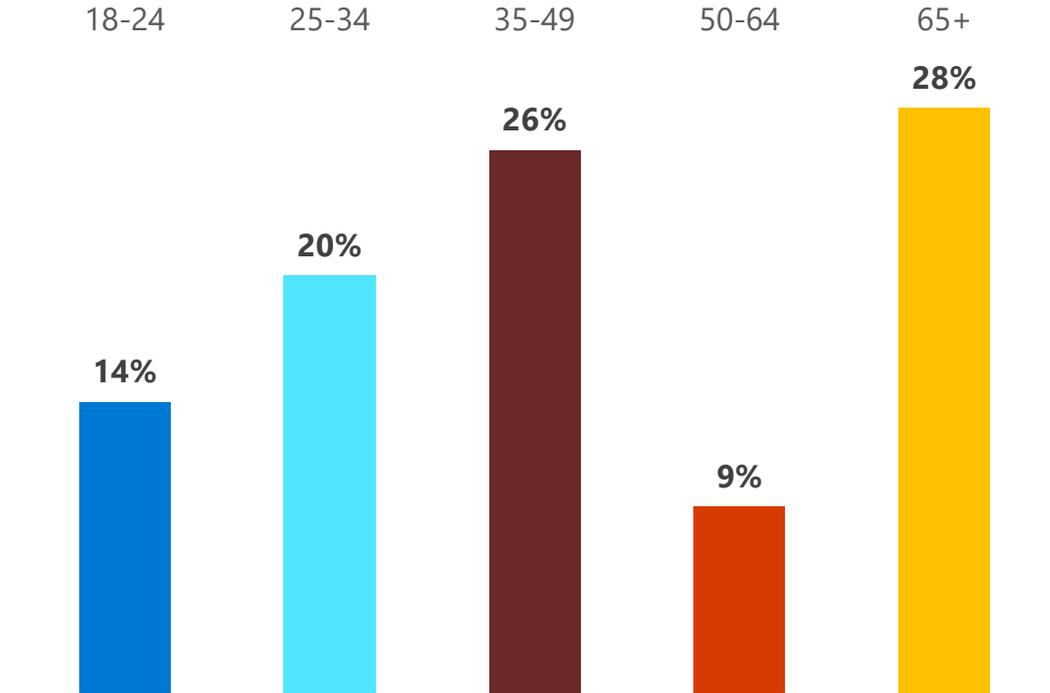
Seniors are embracing the digital world. On Microsoft Search Network, the 65+ group also demonstrates the strongest year over year (YoY) growth.



74%

In 2019, 74% of people aged 65 and over had used the internet compared to only 6% in 2011¹

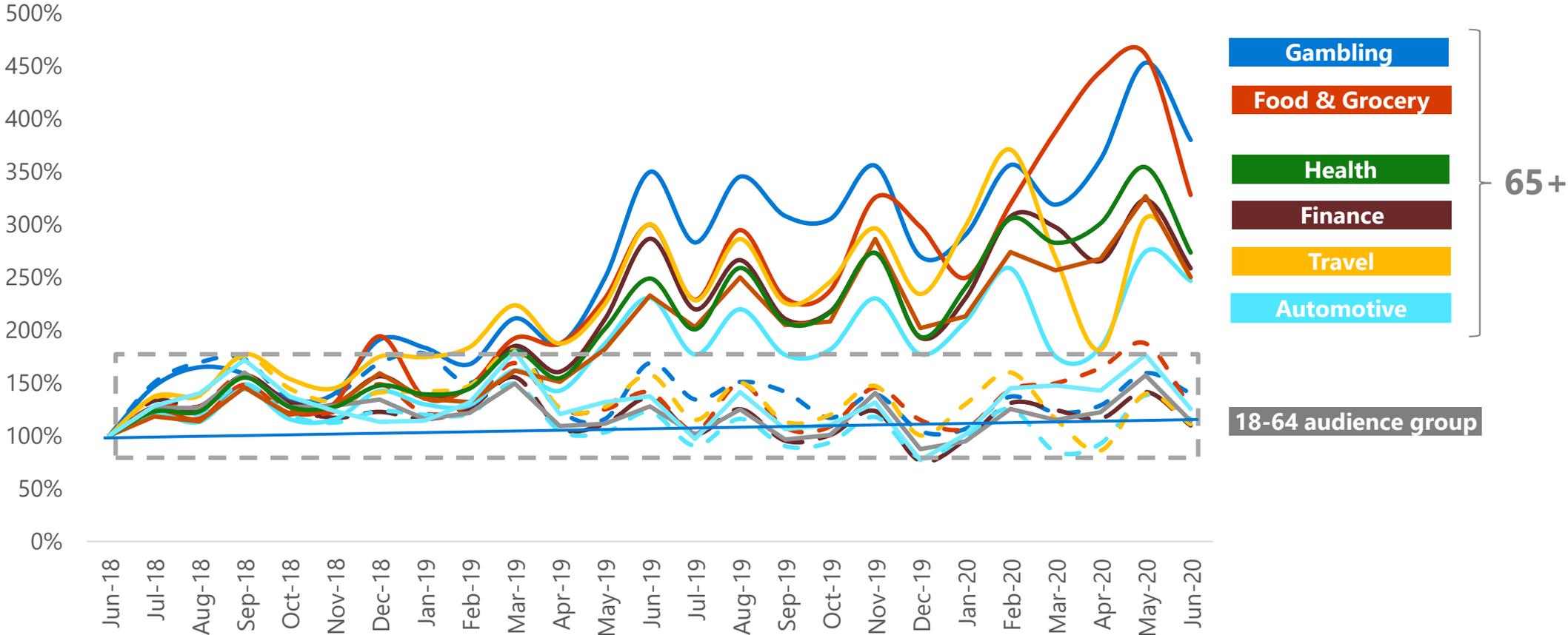
Search YoY by age group²



1. Number of active internet users in Australia in December 2019, by age group, Statista, May 2020.
2. Microsoft Advertising Internal Data, 1, Jan -17, Jul 2020 compared to same period in 2019, AU

Search growth in the 65+ age group outpaces other groups across many categories

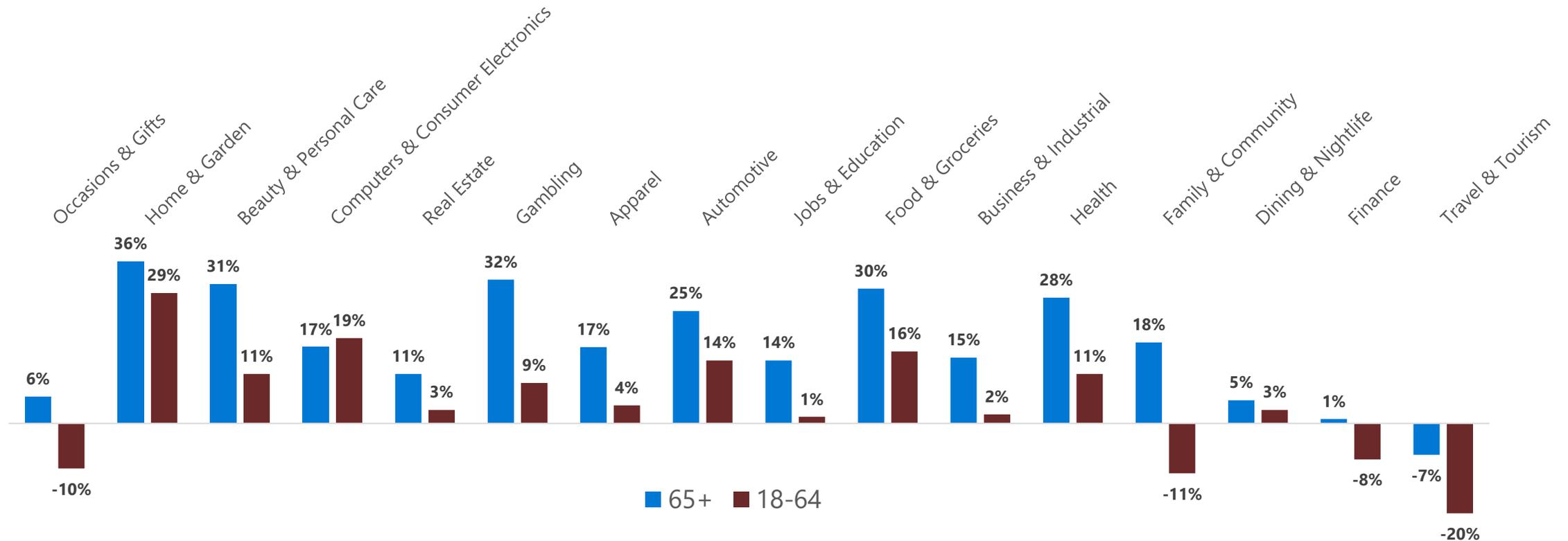
Search index



June-2018 is the benchmark: 100%

65+ are generally more active in search since the onset of COVID-19 than other groups

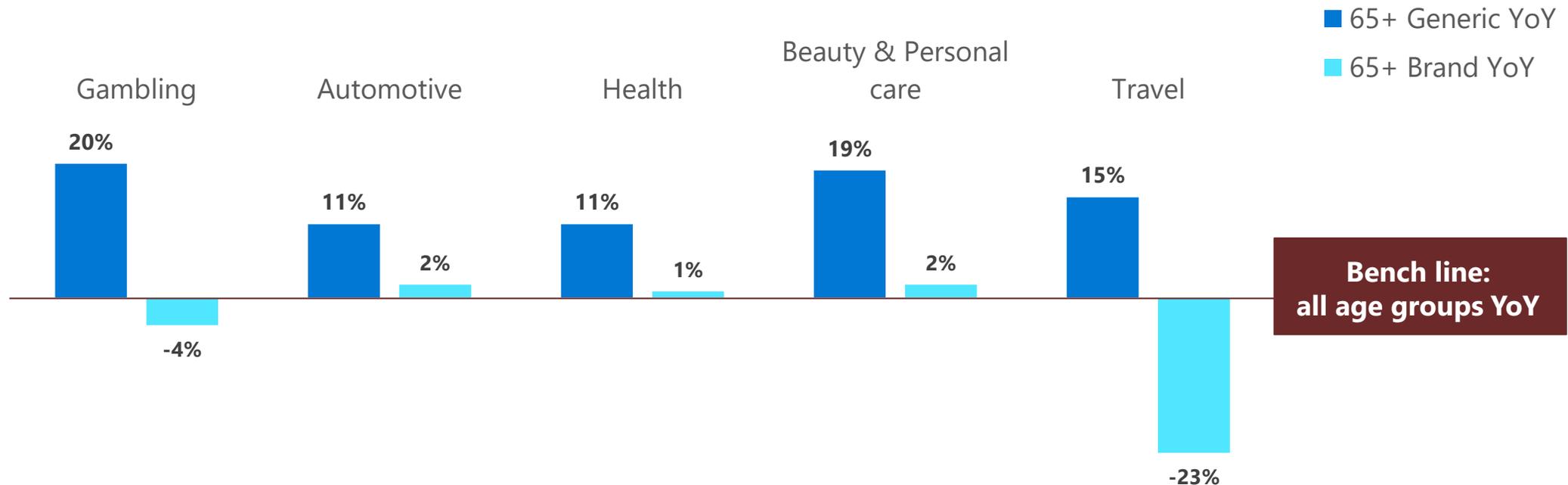
Search YoY (27th March to 26th June)



The growth rate of **generic** searches among 65+ users surpasses other age groups

Ensure sufficient broad generic keywords coverage to budget capture this valuable audience

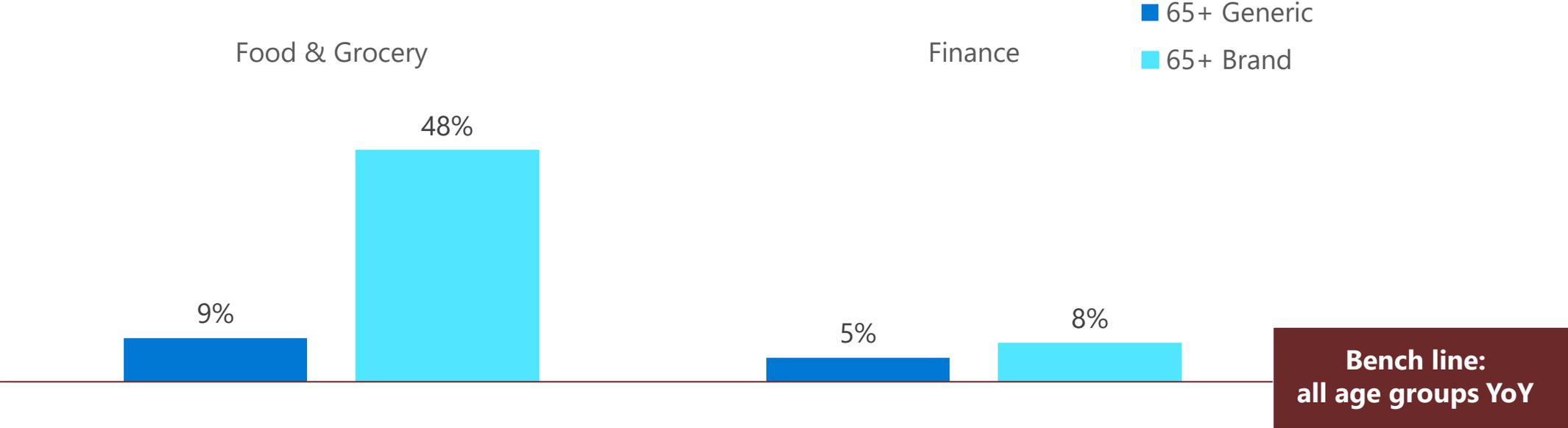
Search YoY by query type



Categories where growth rate of brand searches among 65+ base surpasses other age groups

Ensure sufficient broad generic keywords coverage to budget capture this valuable audience

Search YoY by query type

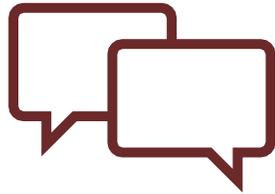


Microsoft Advertising Internal Data, 27th Mar-26th June compared to the same period 2019, AU



Elders care less for customer reviews but more for pre- and post-sale support

Provide clear and in-depth product details and highlight your great customer services in ad creatives



Older consumers are over **10%** less likely to care about customer reviews and word-of-mouth recommendations than younger consumers

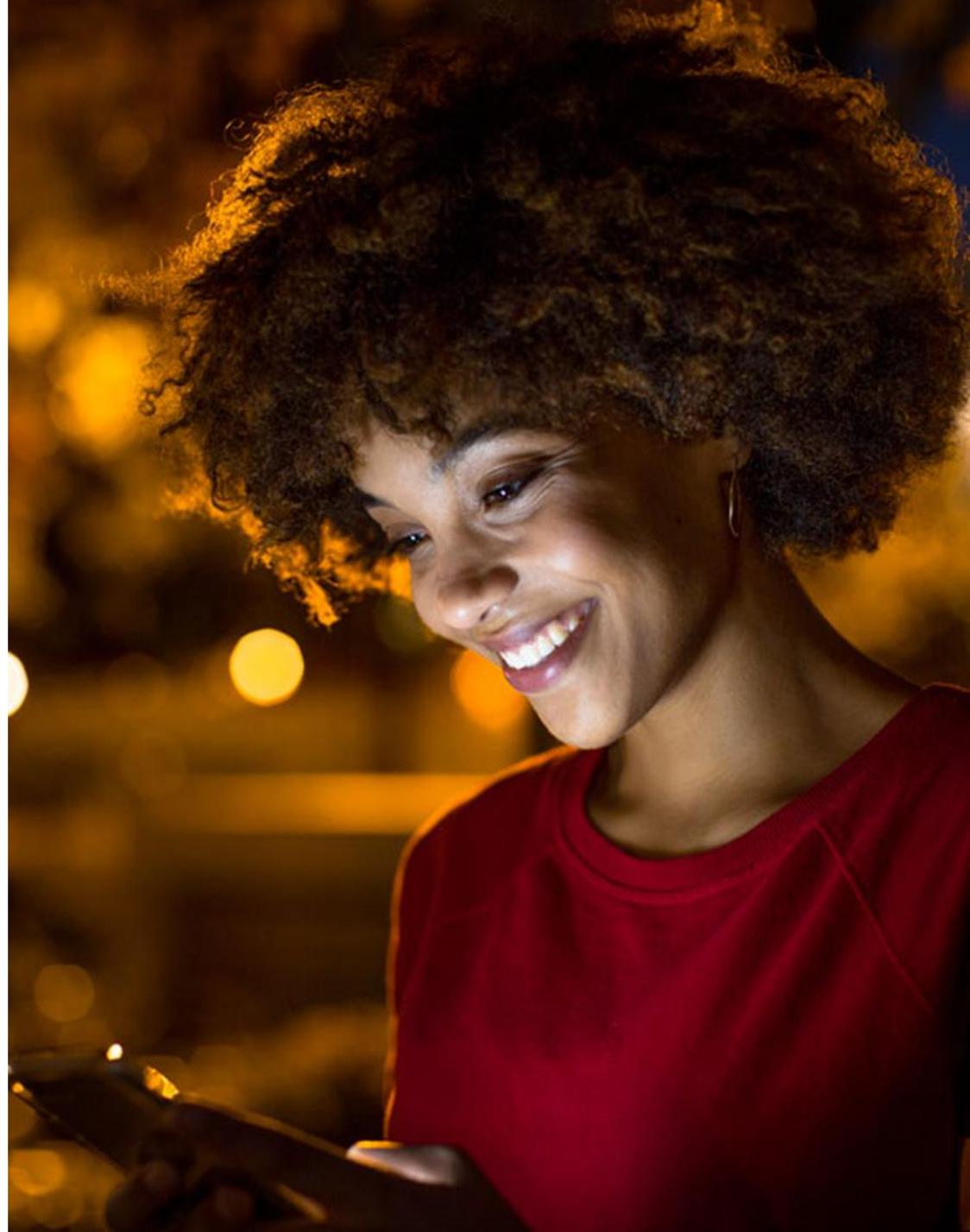


Older consumers were over **10%** more likely to abandon a shopping cart based on poor pre- and post-sales support

Cross digital channels analysis with customer journey

Methodology

- Top 50 terms and variations per vertical
- Users' journey that have engaged with any online content related to these terms. This includes websites visited, news articles, blogs, videos viewed, etc.
- Touchpoints through Internet Explorer and Microsoft Edge
- 1000 users per selected vertical
- January – June, 2020

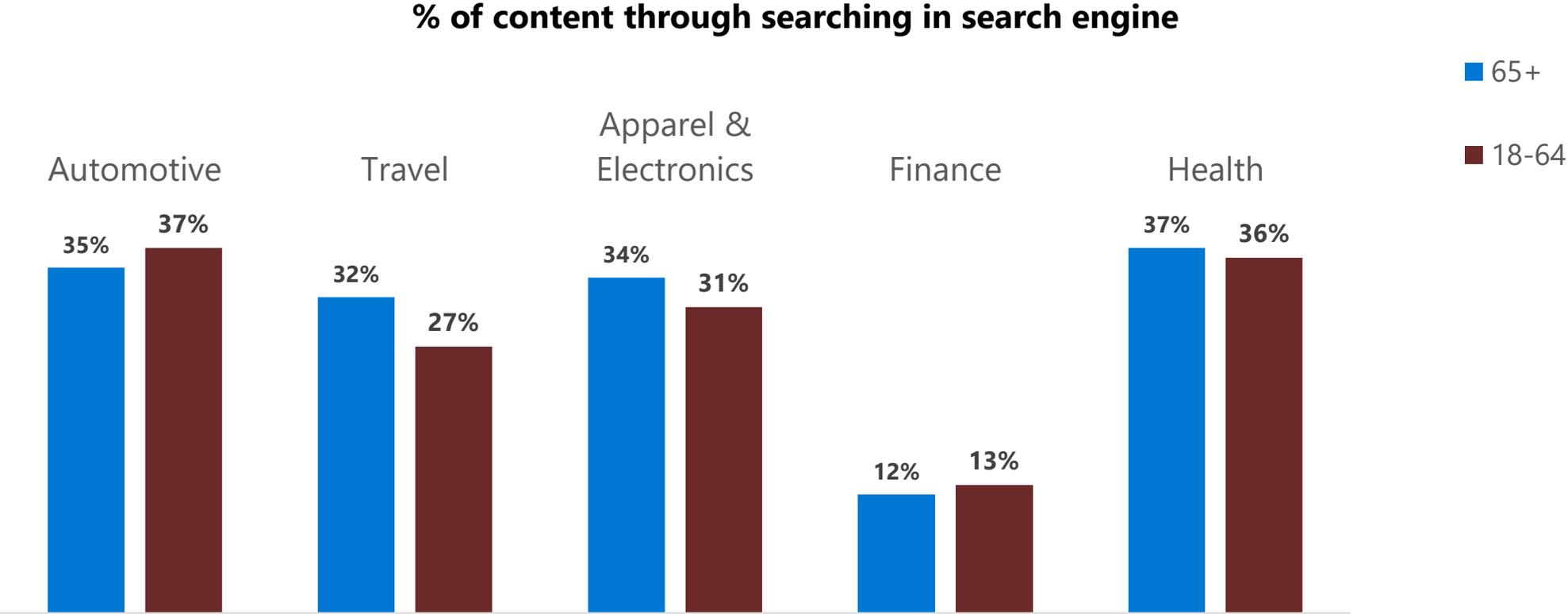


Search is key to the customer journey; however, it should not be the only channel you care about

30%

Our customer journey study found that on average, around **30%** digital touchpoints are on the search engine. Almost 70% of engagements are from other channels including native content, social and video.

Compared to other verticals, people in market for financial products engage more with additional digital channels

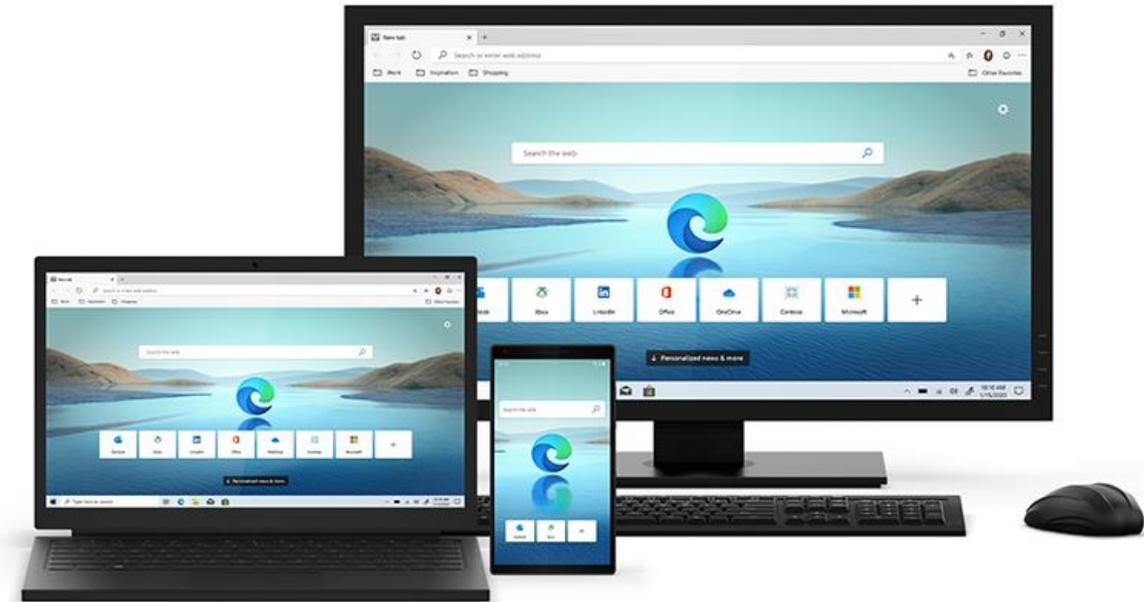


Microsoft Advertising Internal Data, Consumer decision journey based on relevant domain engagement, N= 1000 users per vertical, Jan – Jun 2020, AU



Brands should consider Search and Native advertising opportunities across Bing and MSN with the launch of the new Edge browser

- The new Edge Browser brings **world-class compatibility and performance. The default customer experience for a new tab brings the best of MSN to the forefront.**
- **Use across platforms and devices** with PC support on Windows and macOS and mobile support on iOS and Android
- The new browser will be updated to more than 1 billion Windows 10 devices. The importance of Search, Bing and MSN therefore is even greater for brands to capture consumers attention across the Microsoft Search Network.
- MSN has played a pivotal role in engaging the audience and directing them to relevant websites among all age groups*



www.microsoft.com/en-us/edge

Recent research from U.S. data shows that native ads effectively drive users to paid search

The likelihood of an online shopper engaging with one digital touchpoint after another

		Channel to								
		(conversion)	display	email	native	partner	referral	sem	social	video
Channel from	display	4.7%		1.6%	4.7%		6.3%	79.1%	3.1%	
	email	6.4%			1.1%	8.5%	19.1%	58.6%	6.4%	
	native	6.3%	0.6%		0.6%	5.7%		81.6%	5.1%	
	partner	6.9%	3.9%	1.0%	2.0%		1.0%	82.4%	2.9%	
	referral	2.3%	0.8%	1.7%	1.7%	0.8%		88.5%	3.4%	0.3%
	sem	28.1%	4.1%	5.7%	10.5%	5.9%	23.5%		21.7%	0.6%
	social	8.0%	0.3%	1.5%	2.7%	1.2%	4.2%	82.2%		
	video	25.0%					12.5%	37.5%	25.0%	

1

User clicks on a retailer's Native ad

2

6.3% of users convert after clicking on the Native ad

3

81.6% of users who do not convert on the Native ad go on to engage with a retailer's Paid Search ad in their next touchpoint

Touchpoint = Rows
Subsequent Touchpoint = Columns

Source: Internal Data – Consumer decision journey (August 2019 – January 2020); Multi-Touch Attribution based off click attribution

1. Social includes all forms of Paid Social, including Native Social
2. Referral includes "affiliate" traffic, such as RetailMeNot etc.



The opportunity for brands is to leverage the **Microsoft Audience Network**, our premium Native offering, to reach more relevant users

For more information please visit: <https://about.ads.microsoft.com/en-au/solutions/microsoft-audience-network>

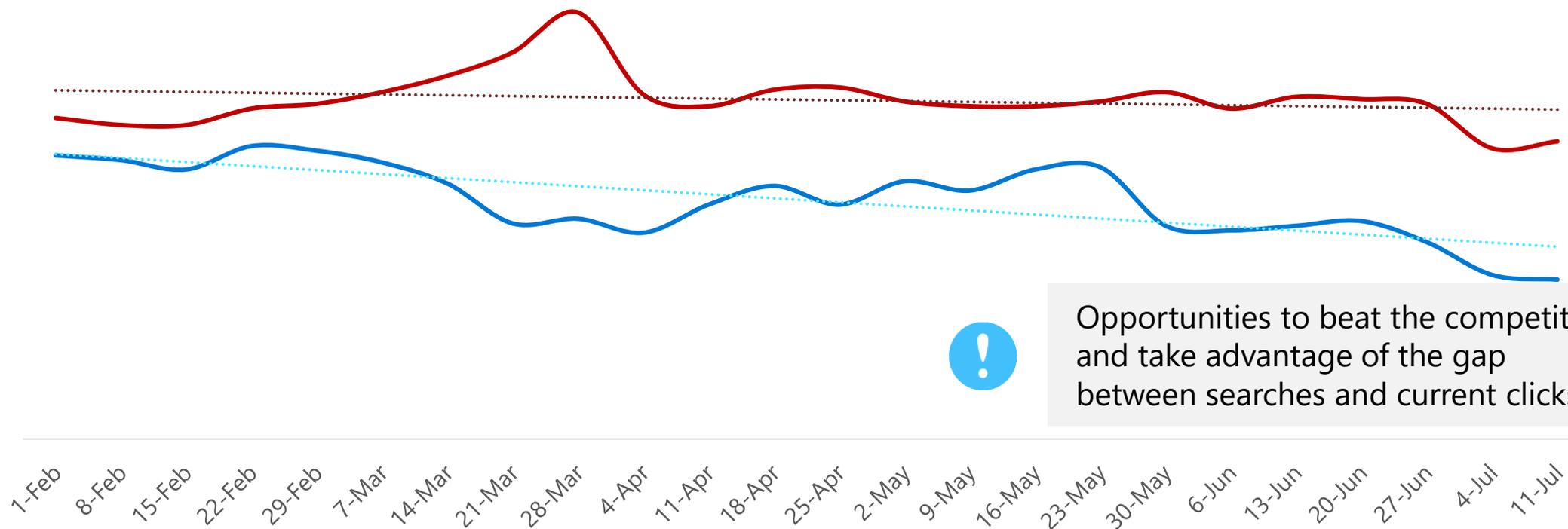
65+ Finance



In Finance, there's a trend discrepancy between clicks and searches

Despite lock-down, consumer interest among the 65+ age group remained strong

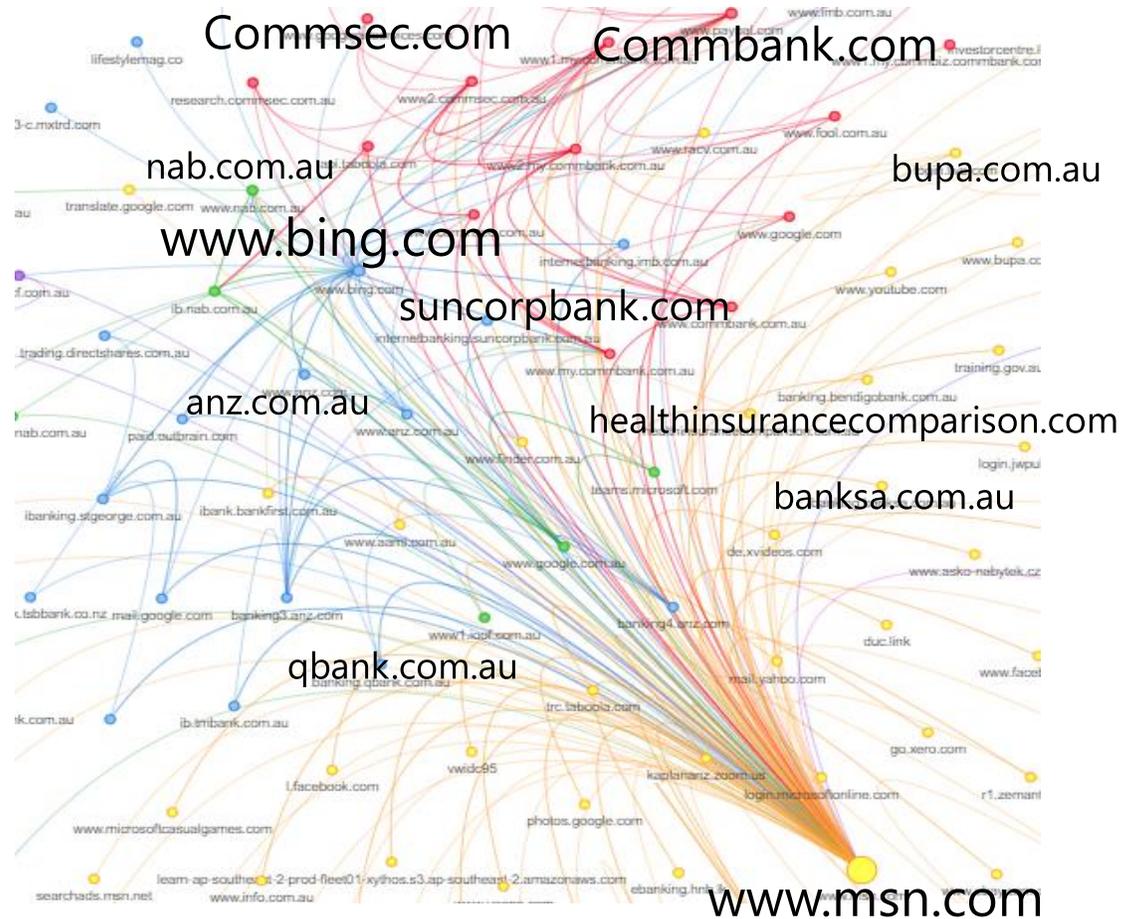
Weekly searches & ad clicks index



Opportunities to beat the competition and take advantage of the gap between searches and current clicks



Seniors are savvy consumers and have browsed multiple brands by searching across Edge, Bing and MSN



Combine conquering strategy with **in-market audiences bid modifiers** to target audiences with known affinities

The Microsoft Audience Network has the audience you want to reach, with . . .



12%

planning to buy health insurance



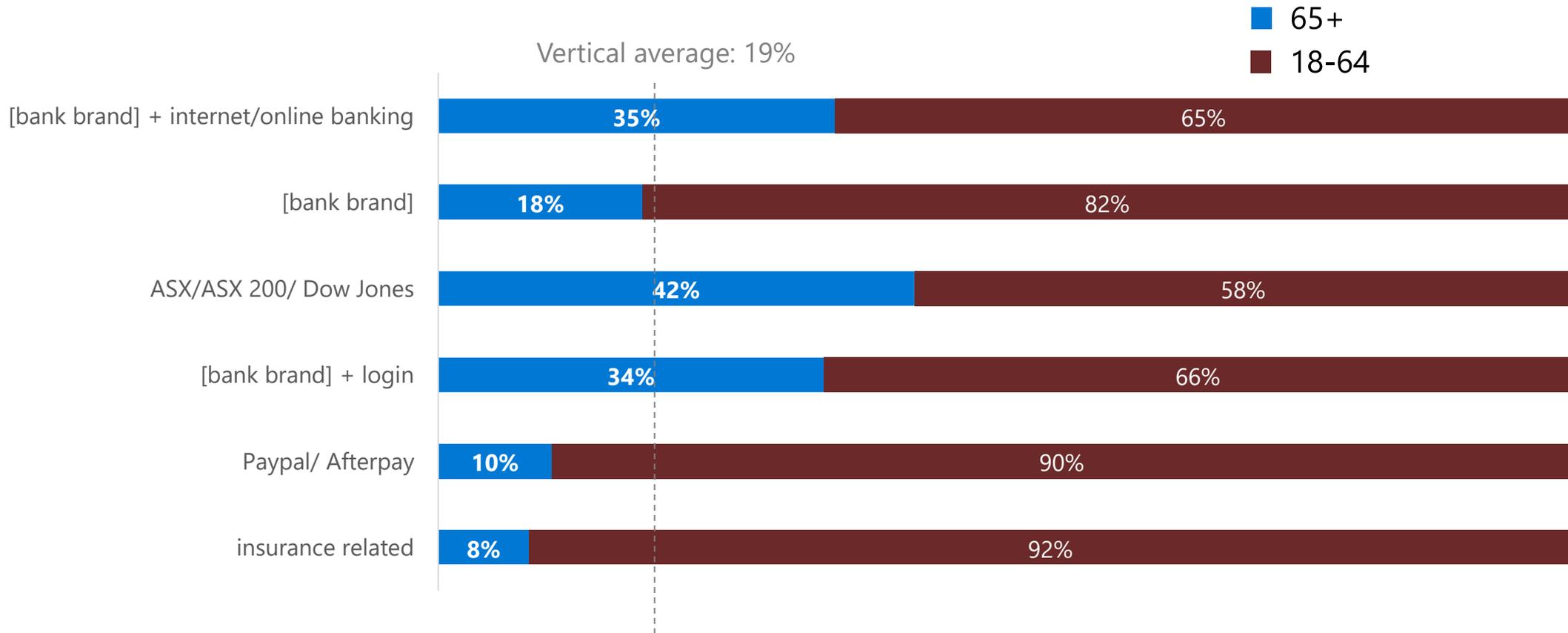
7%

planning to refinance

What are senior users likely to search for?

Elder consumers over-index on "internet/online banking", "login" and stock investment terms

Query volume distribution by age group*



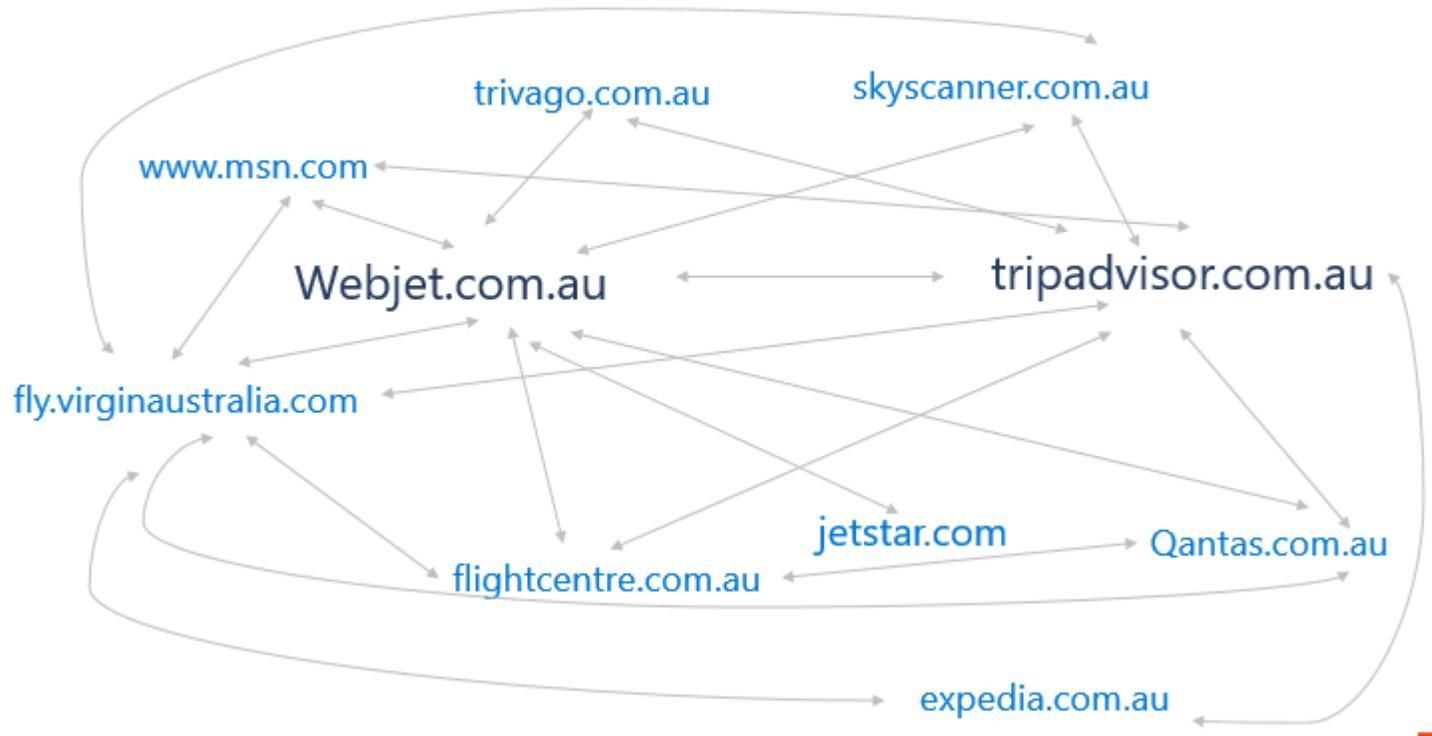
Microsoft Advertising Internal data, finance vertical, PC only
*Based on last 30 days (01/06/2020-30/06/2020),

65+ Travel



Seniors are savvy consumers and have browsed multiple brands

Websites that show strong correlation*

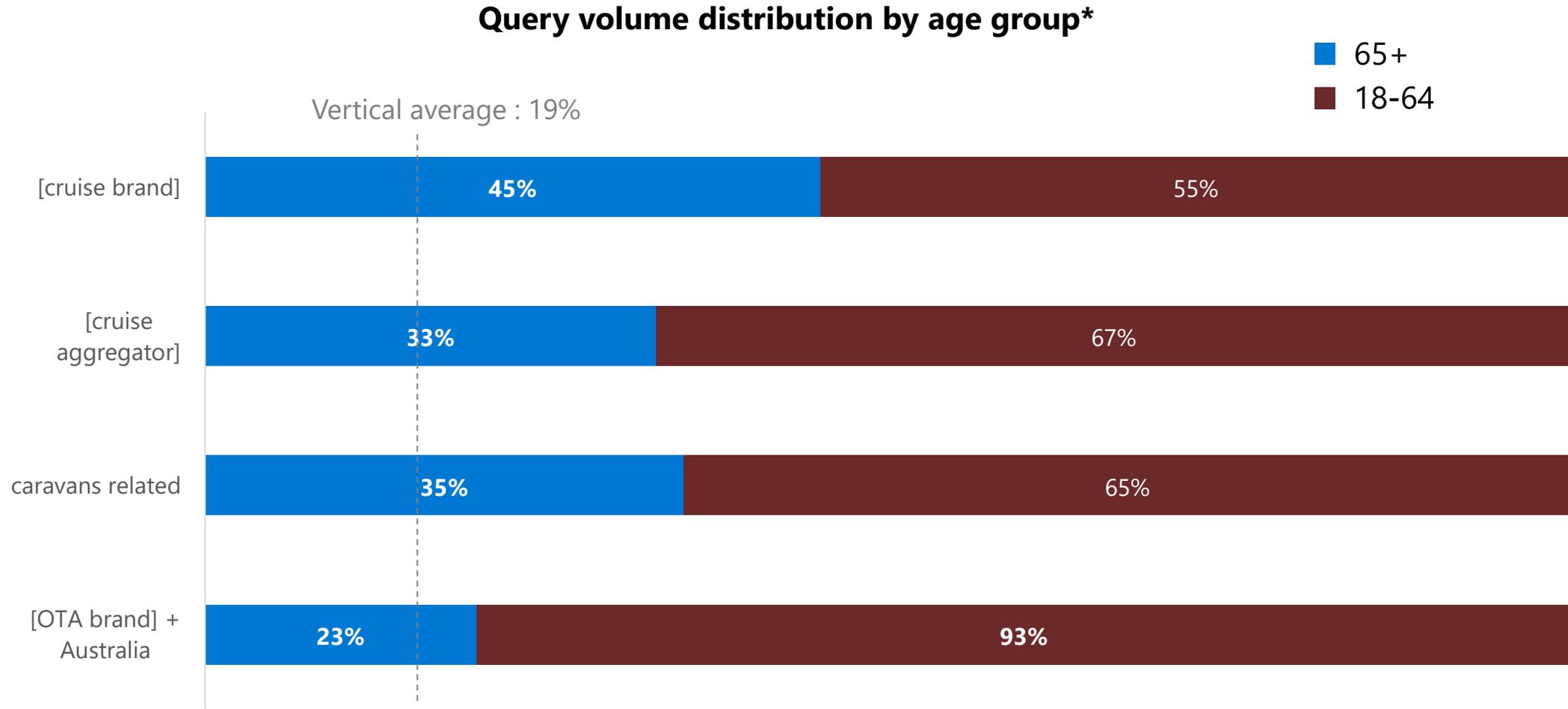


Combine conquering strategy with **in-market audience bid modifiers** to target audiences with known affinities

- Microsoft Advertising Internal Data, Consumer decision journey based on relevant domain engagement, N= 1000 users travel vertical, Jan – Jun 2020, highest frequency and web and flow
- *Methodology: Websites with the highest likelihood of appearing together in sample customer journey

What are senior users likely to search for?

Elder consumers over-index on **cruise and caravans** related terms



Microsoft Advertising Internal data, travel vertical, PC only
*Based on last 30 days (01/06/2020-30/06/2020),

65+ Retail

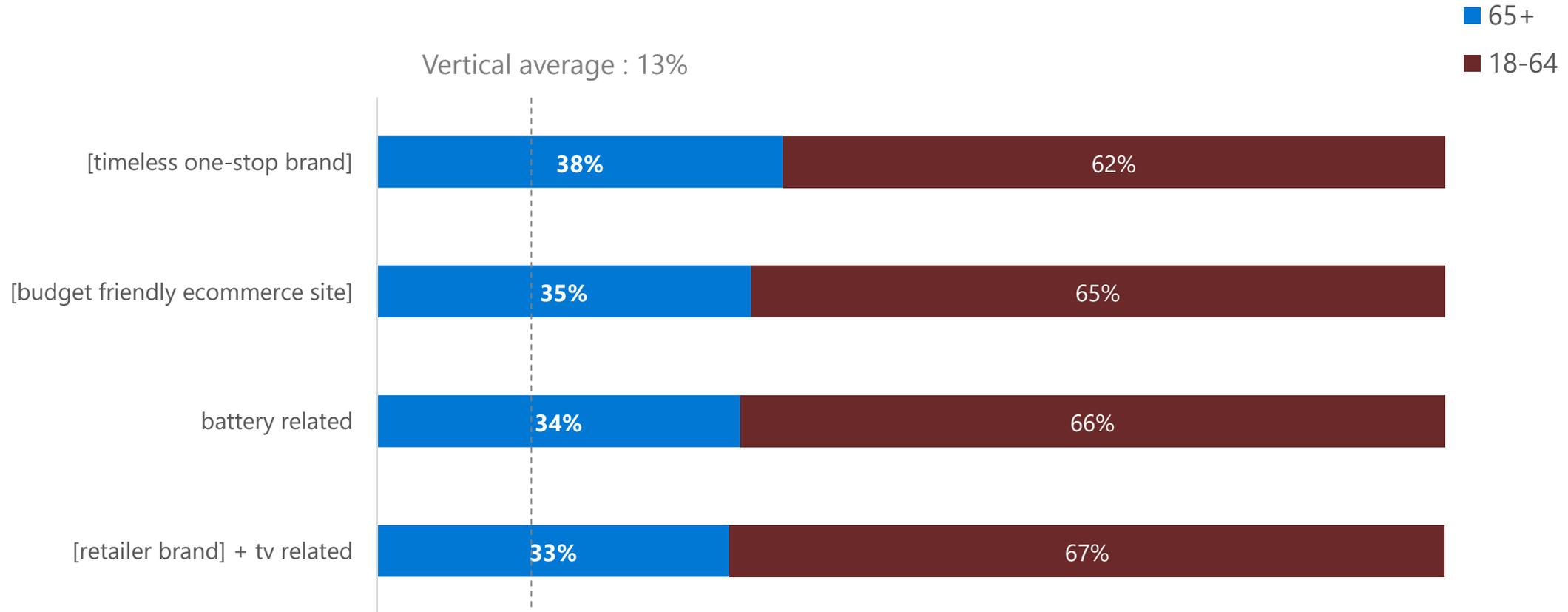
(Apparel, Consumer Electronics and Grocery)



What are senior users likely to search for?

Elder consumers over-index on **timeless one-stop brands** and **budget friendly ecommerce site** terms

Queries searches distribution by age group*

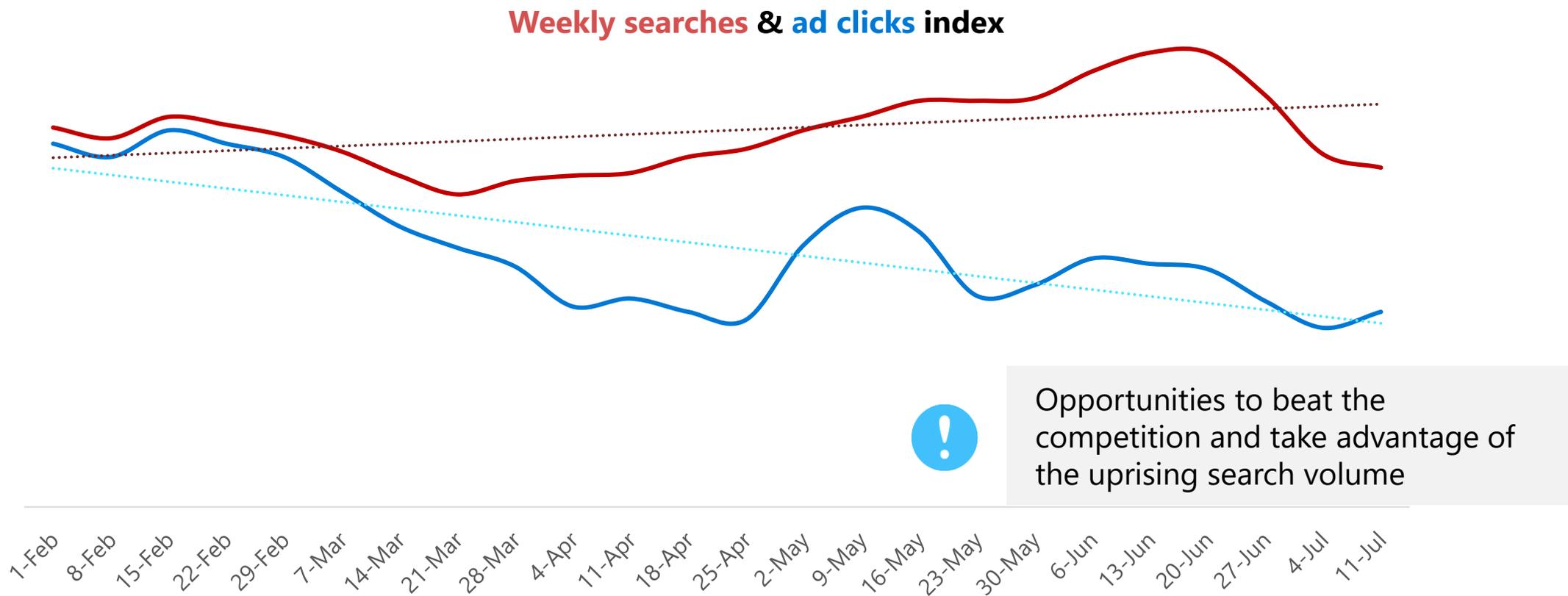


65+ Auto



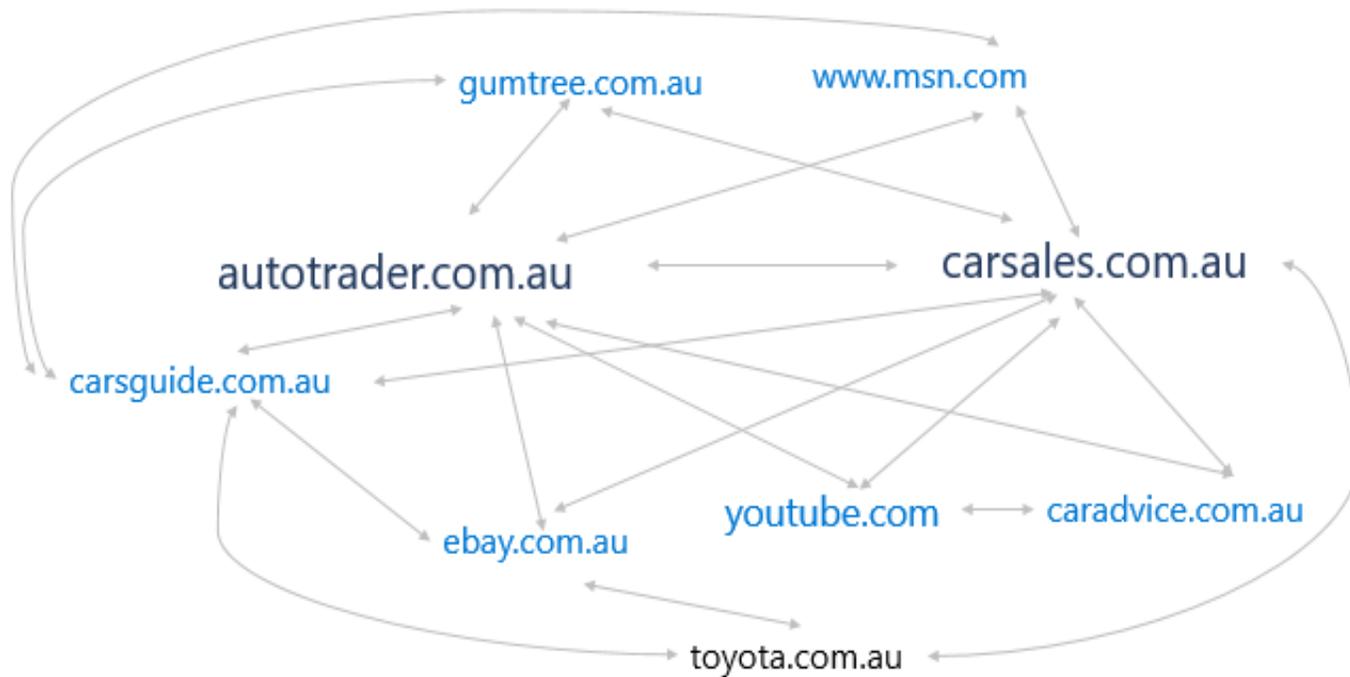
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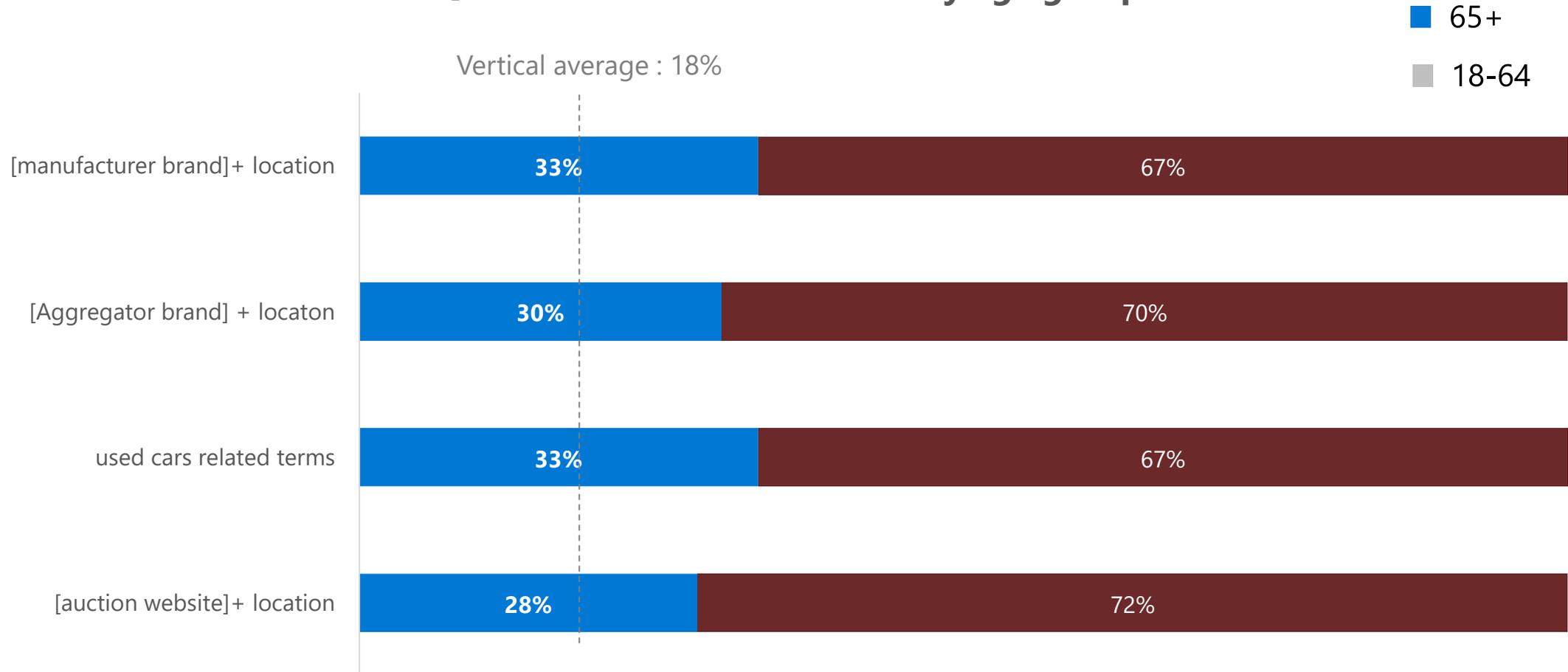
Microsoft Advertising Internal Data, Consumer decision journey based on domain that users who engaged with relevant content with , N= 1000 auto vertical, Jan – Jun 2020, AU

*Methodology: Websites with the highest likelihood of appearing together in sample customer journey

What are senior users likely to search for?

Elder consumers are over-index on **location terms** and **used cars** terms

Queries searches distribution by age group*



Microsoft Advertising Internal data, auto vertical, PC only
*Based on last 30 days (01/06/2020-30/06/2020),

Overall there are 3 key opportunities

1. Apply **Audience targeting** bid modifier to capture increasing online activities of the 65+ users
2. Leverage **In-market audiences** and apply bid modifiers to target audiences with known affinities
3. Combine the **Microsoft Audience Network** and Search to get the most out of your advertising investment. Layer additional audiences, such as Product Audiences and In-Market for a more targeted reach.



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](#)



Microsoft Advertising. Intelligent connections.