

Travel demand signals

Commercial intent query analysis



Methodology and notes

- In this research, we benchmark search volume movements for travel queries with commercial intent in the current climate vs. a pre-coronavirus healthy period (January 2020) to better understand consumer demand recovery in travel
- This analysis examines queries with 'commercial intent' (queries that have displayed at least 30 cumulative Mainline Ad Impressions during the two weeks from 6th to 19th of January 2020, a pre-coronavirus healthy period)
- We take the search volume for the stated set of queries with commercial intent (from the stated period above) from January 2020 to create a baseline for comparison
- The analysis compares the search volume for the stated set of queries with commercial intent every week to the January 2020, pre-coronavirus period, baseline. Additionally, a year over year (YoY) benchmark is also provided to analyse if the same pattern was observed weekly last year when comparing to the January 2019 benchmark.
- Through this comparison, the analysis highlights the percentage deltas of the search volume that exist between our current time frame (weekly) to a pre-coronavirus period whilst contextualising performance with a YoY benchmark
- This enables us to understand how far off we are from a 'normal' or pre-coronavirus period whilst also being able to assess the evolution of consumer search demand via queries with commercial intent, that will naturally be of high interest to advertisers

FAQs

1.) How are you defining 'commercial intent'?

We have compiled a list of queries that have displayed at least 30 cumulative Mainline (ML) Ad Impressions during the two weeks from 6th to 19th of January, 2020, a pre-coronavirus healthy period. We assume queries that have accumulated at least 30 ML impressions during this period illustrate commercial intent and are queries of interest to our advertisers.

2.) Why is commercial intent important?

We are treating commercial intent as a demand signal to allow us to track consumer demand and its recovery in travel

3.) How many travel queries are being captured in this analysis?

Of all travel searches where we showed at least an ad during 6-19th January 2020, 60-70% of these searches are accounted for in this analysis. The rest are left out as they didn't have adequate ad impressions to qualify as having commercial intent.

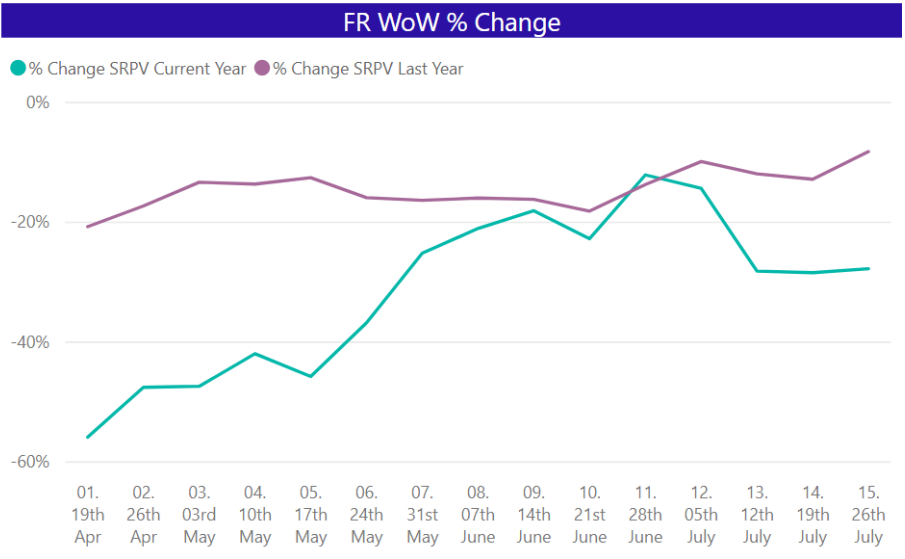
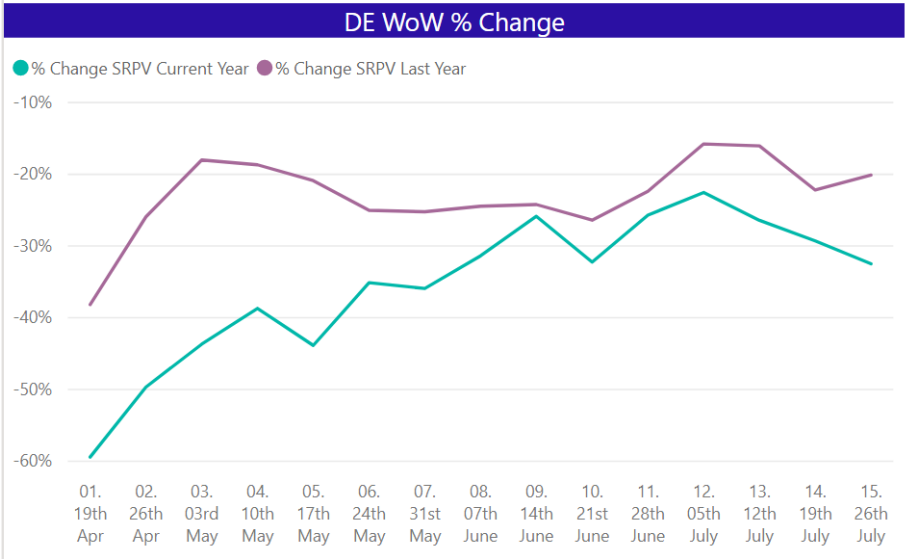
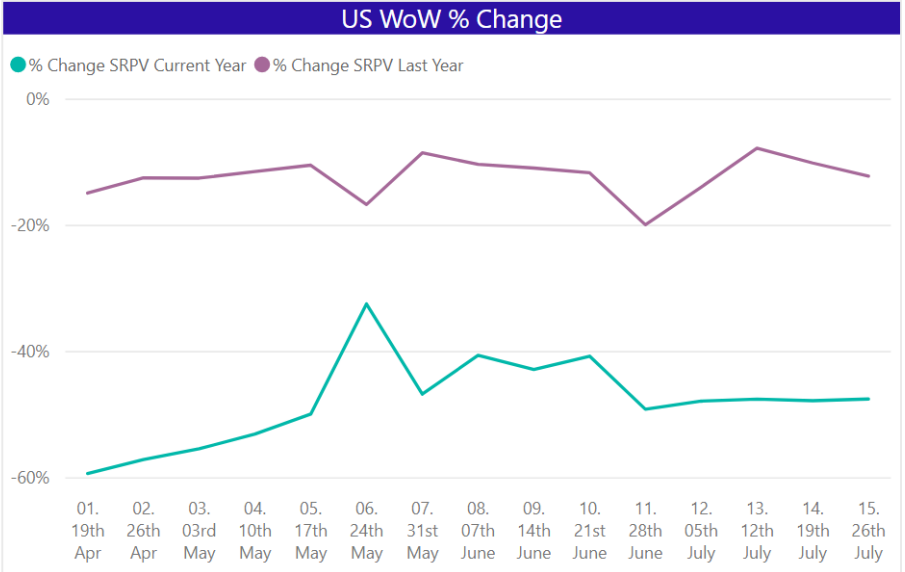
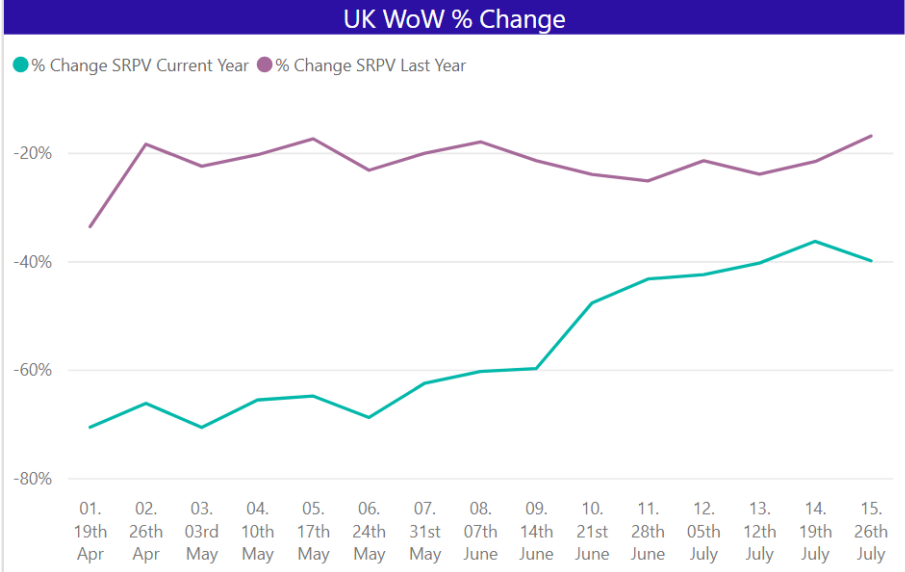
4.) Why compare to a January 2020 baseline?

We have chosen to use a January 2020 baseline because we wanted to establish queries of commercial intent from a recent pre-coronavirus period to ensure we are targeting queries that are relevant to consumers this year and avoid capturing any now irrelevant terms that could exist if the baseline was a considerably older period.

5.) How are you facilitating a YoY comparison?

As our methodology is based on comparing the current climate to a pre-coronavirus healthy period (January 2020), in order to facilitate a YoY analysis, we need to conduct the same analysis with 2019 data to see if the same patterns emerge. Hence the last year or YoY benchmark equals an examination of the performance of travel queries with commercial intent during the same weeks of the study period but in 2019, compared to a benchmark of equivalent weeks in January 2019.

Travel queries with commercial intent current week over week (WoW) search volume trend (compared to January 2020 baseline) with a YoY comparison

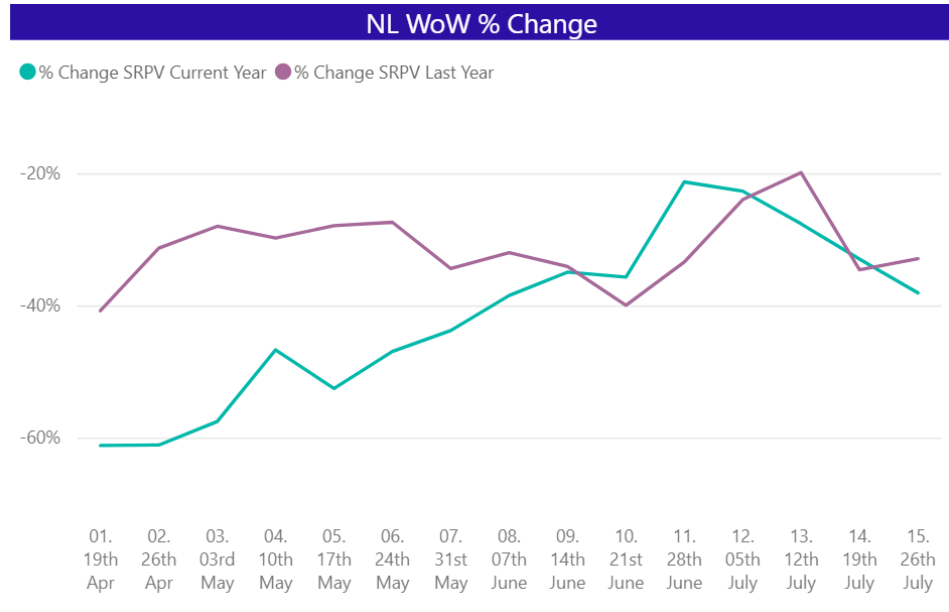
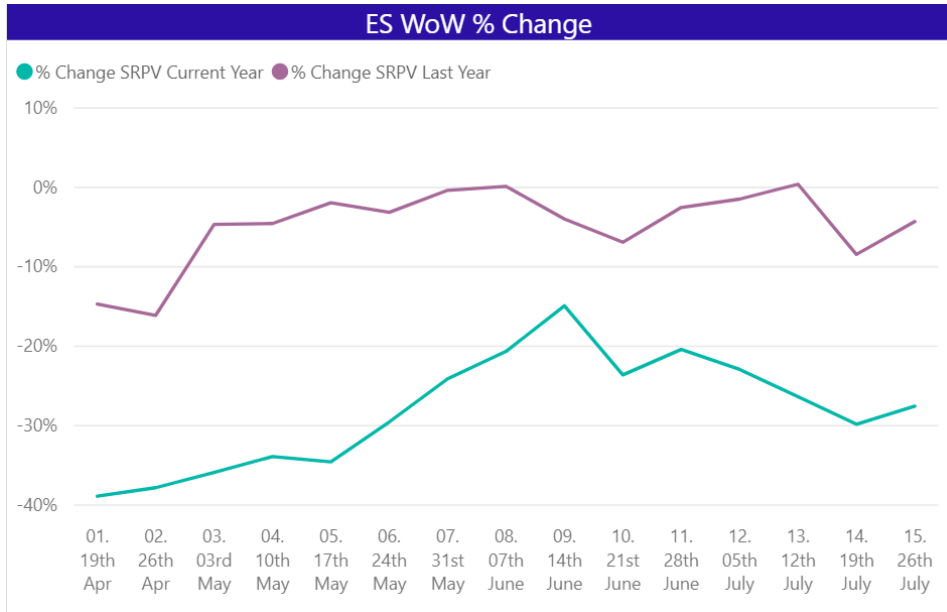


Observations

- Following weeks of continued growth, we are seeing travel search demand declining in France (FR) and Germany (DE) following local virus outbreaks in both countries
- After weeks of continued growth in the United Kingdom (UK), there has been a drop in search volume whereas the same point last year showed signs of growth
- As virus transmission grows across the United States (U.S.), search volume displays no significant growth

Microsoft Internal Data. % Change Search Volume (green line) = performance of travel queries with commercial intent each week compared to equivalent weeks in Jan 2020, the most recent healthy pre-coronavirus period on record. % Change Search Volume Last Year (purple line) = This last year benchmark is an examination of the performance of travel queries with commercial intent during the equivalent weeks listed on the graph but in 2019 in comparison to a benchmark of equivalent weeks in Jan 2019, essentially the same analysis of the green line but with last years data. WoW is a reference to week on week

Travel queries with commercial intent current WoW search volume trend (compared to January 2020 baseline) with a YoY comparison



Observations

- After multiple weeks of declining volume, Netherlands (NL) carries on falling below the benchmark whereas the same time period last year showed signs of growth
- Following second wave concerns in Spain (ES), which resulted in reducing volume for many weeks, they have showed signs of growth in the most recent week

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