

# COVID-19 marketplace rebound gauge

Health - Pharma Rx

Data: 01.01.2018-7.5.2020

What comprises the marketplace index?

Marketplace index is a composite metric built to reflect the following behaviors:

Search  
volume



Advertiser  
participation



Auction  
activity

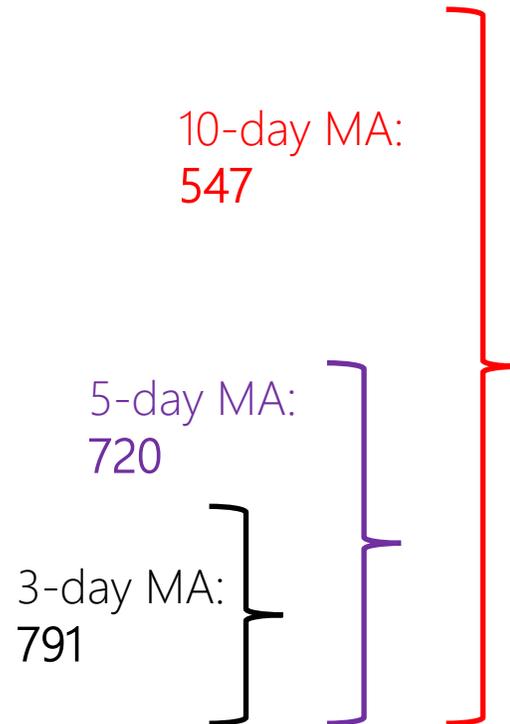


Searcher  
intent



# A primer on how moving averages (MA) work

Date	Value
3/20	500
3/21	650
3/22	700
3/23	400
3/24	250
3/25	300
3/26	425
3/27	500
3/28	525
3/29	700
3/30	650
3/31	825
4/1	900



A **simple moving average** calculates the average of a selected range of values. For instance, the 3-day moving average for the date of 4/1 would be the average of the attendant values for the dates of 4/1, 3/31, and 3/30.

\*Values are arbitrary and used to illustrate the concept

## Purpose:

To provide an at-a-glance high-level signal about the current commercial viability of our Pharma RX marketplace, **as compared to times of relative normality**. It is a technical analysis agnostic to external indicators and should be treated accordingly.

# Marketplace signals – U.S. short window

Data from 1.1.18 to 7.5.20

## U.S. market short window

United States

## This update



## Changes from last update

No change, still green. Although the last two weeks has shown more volatility in the short-term moving averages

## Sub-category

Health aids and medical supplies

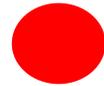
## This update



## Changes from last update

From green to yellow

Health Information



From green to red

Health Services



From yellow to green

Pharma OTC



New category this week

Pharma Rx



From yellow to green

## Signal Guide



Marketplace index is showing positive momentum



Marketplace index is showing some stability

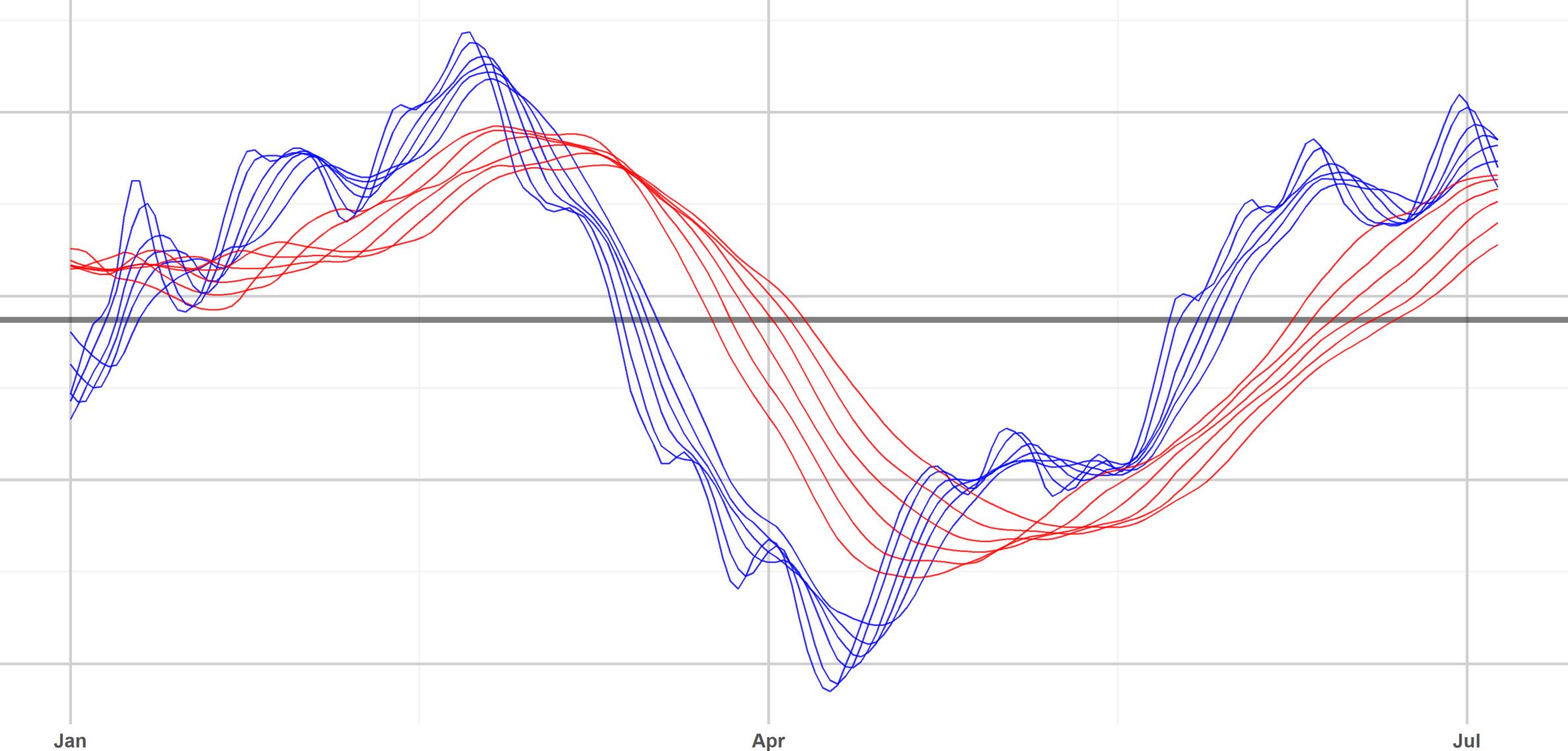


Marketplace index is showing negative momentum

# Marketplace Rebound Signal Search - United States, Short Window

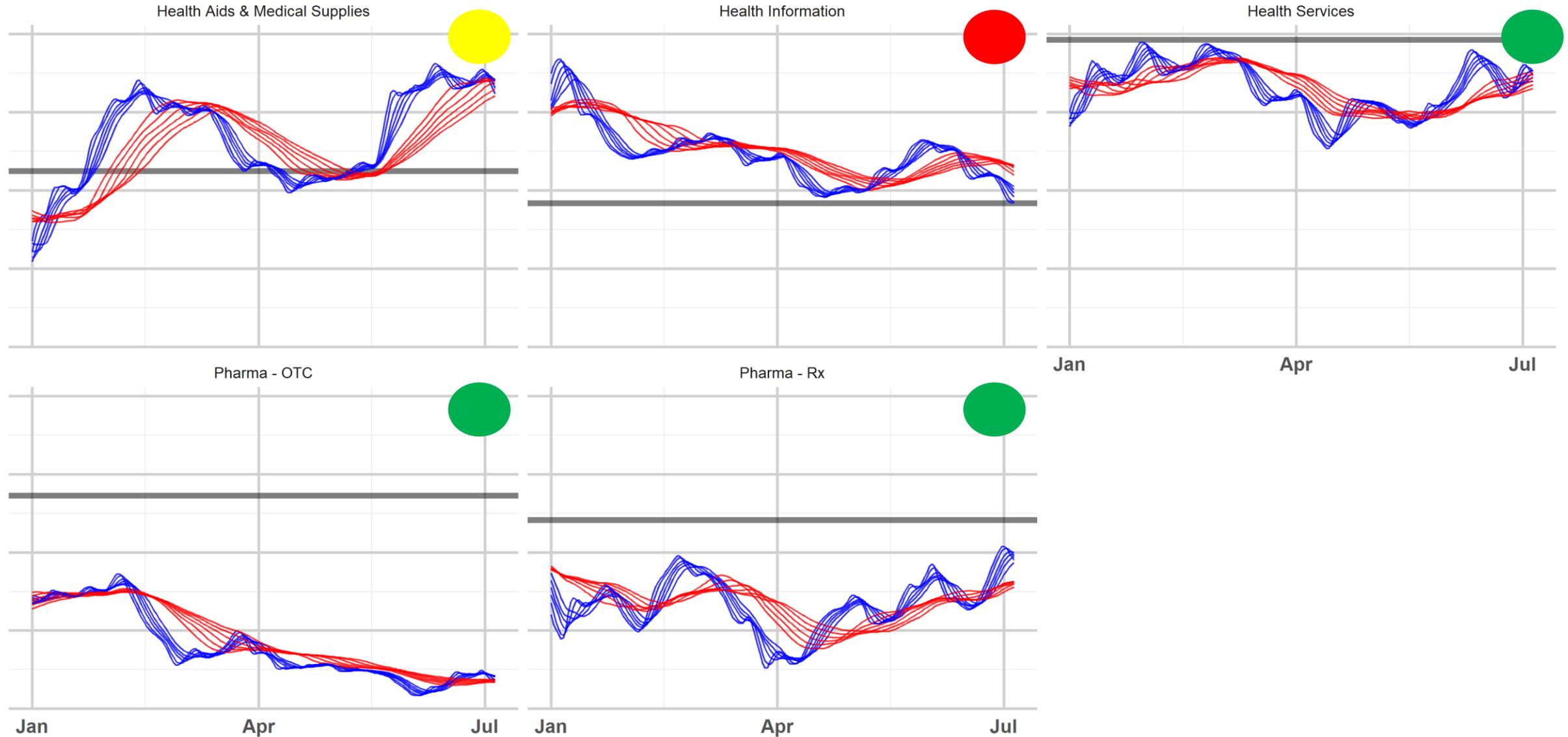


When short term averages crest long term averages, this is a strong signal the marketplace is reversing



# Marketplace Rebound Gauge, United States, Short Window

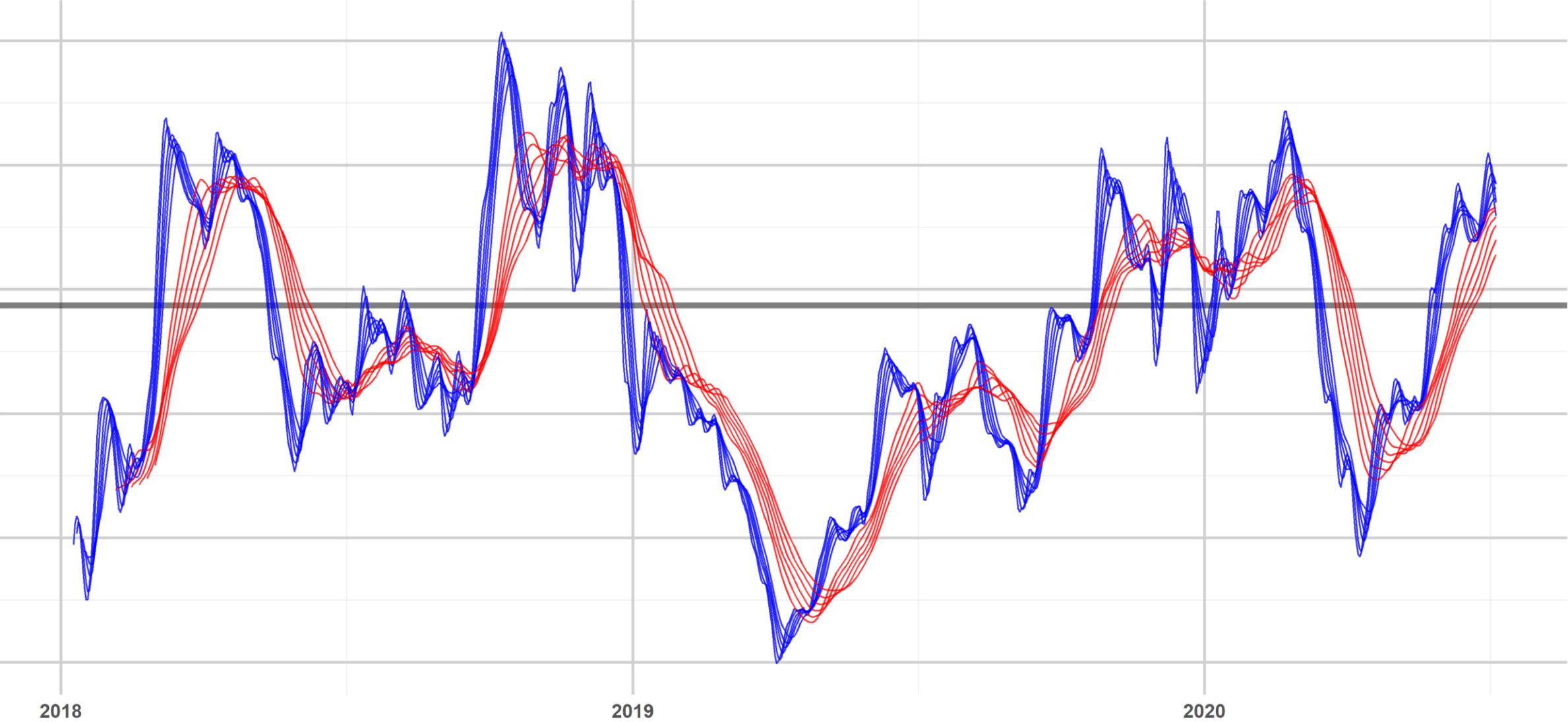
When short term averages crest long term averages, this is a strong signal the marketplace is reversing



# Marketplace Rebound Gauge, Long Window

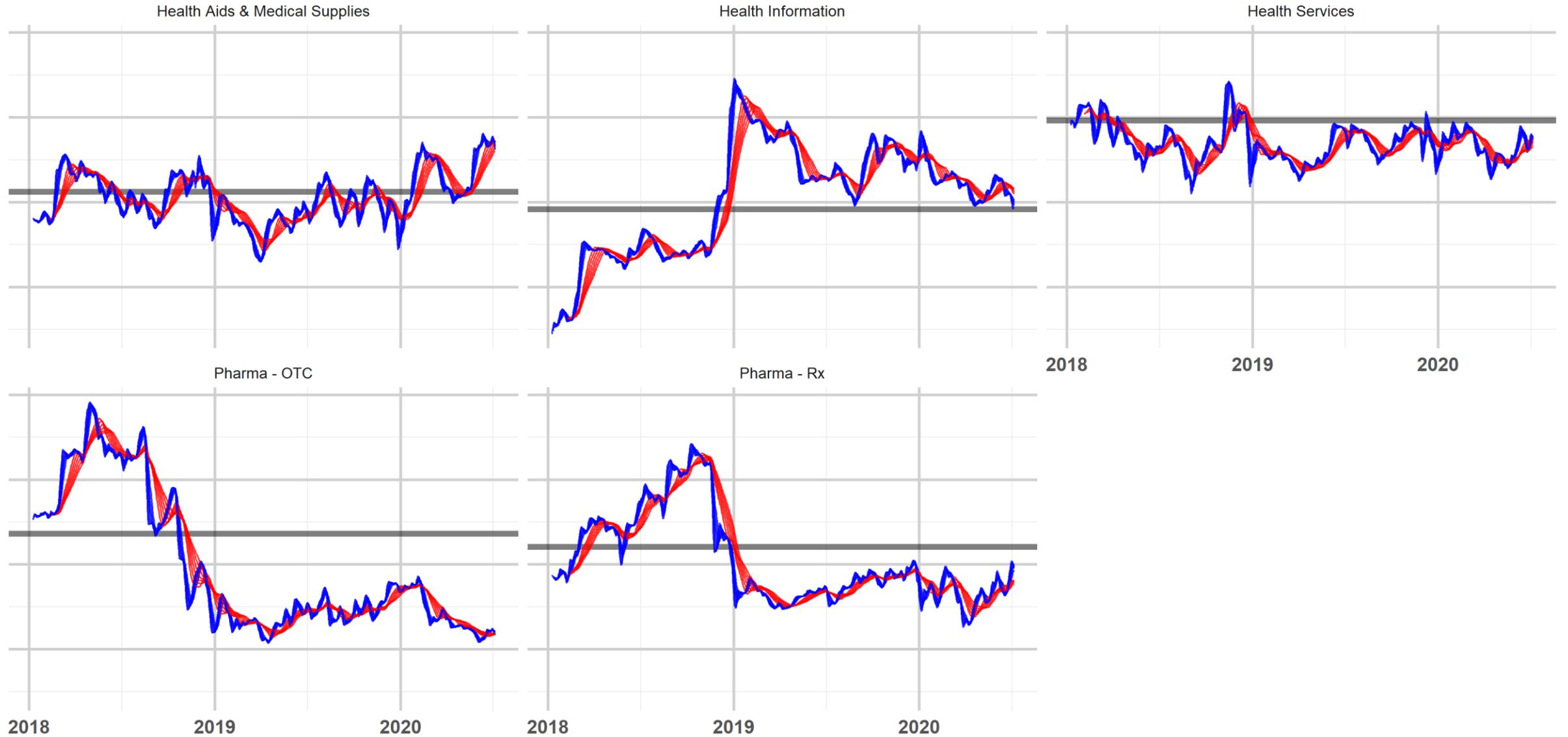
When short term averages crest long term averages, this is a strong signal the marketplace is reversing

United States



# Marketplace Rebound Gauge, United States, Long Window

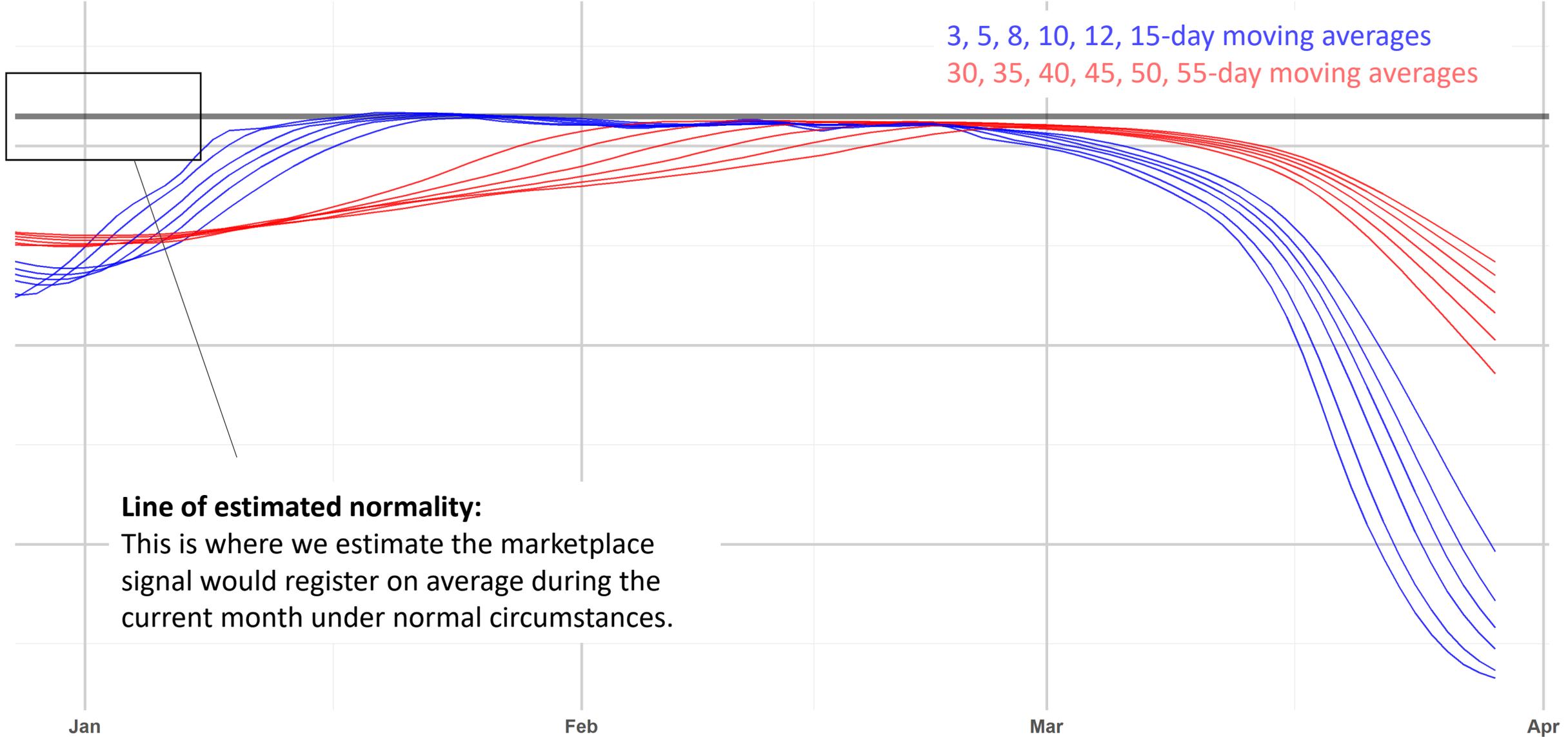
When short term averages crest long term averages, this is a strong signal the marketplace is reversing



How the signals are extracted

# Marketplace Rebound Signal Search - United States

Short View

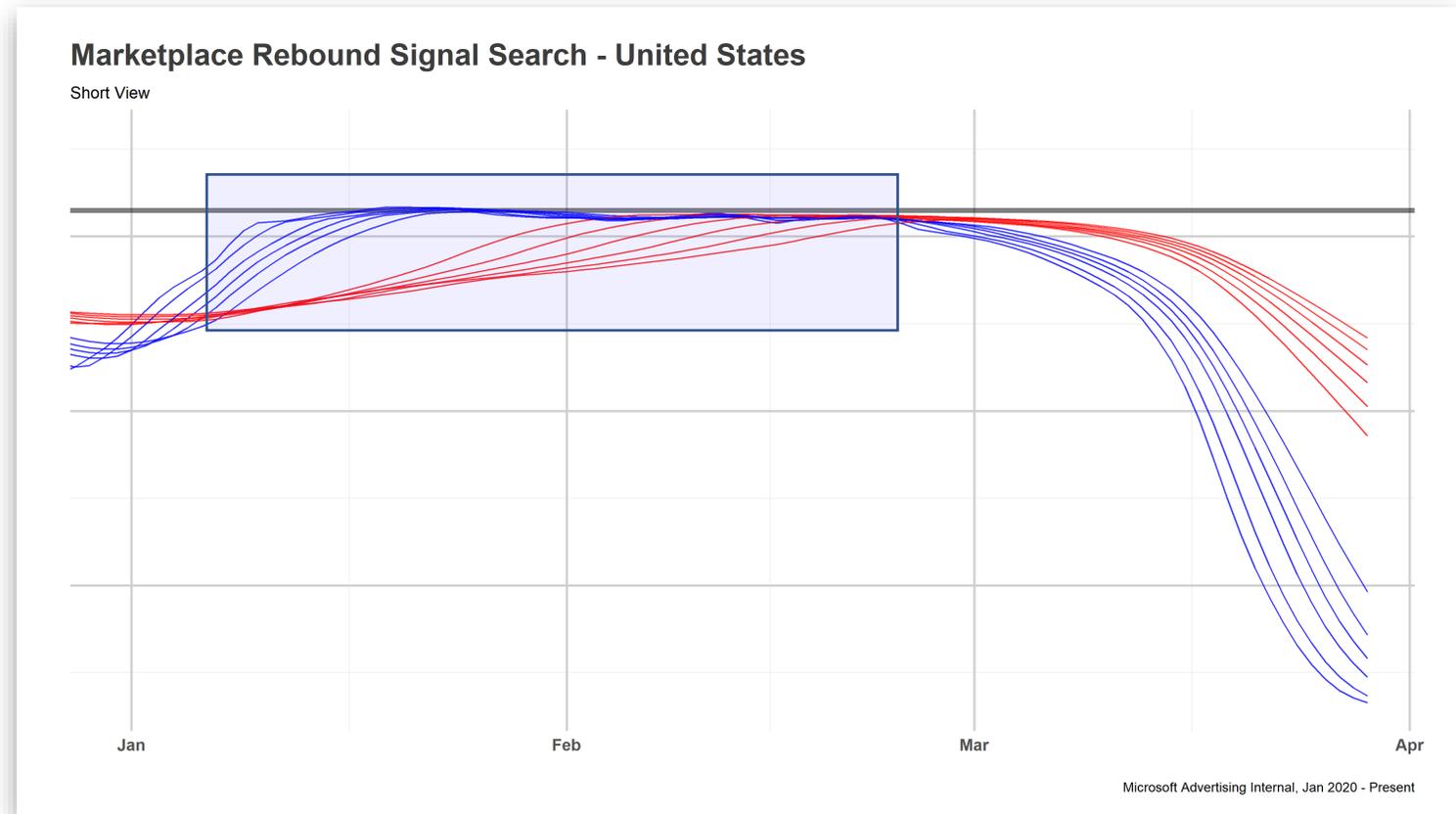


# Signal:

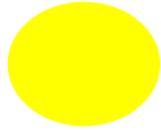


Here our cluster of **shorter-term moving averages** has consolidated around the **estimated line of normality**, pulling latent **longer-term moving averages** with it

When there is a period with all six **short-term moving averages** above all six **long-term moving averages**, this a confirmed market uptrend

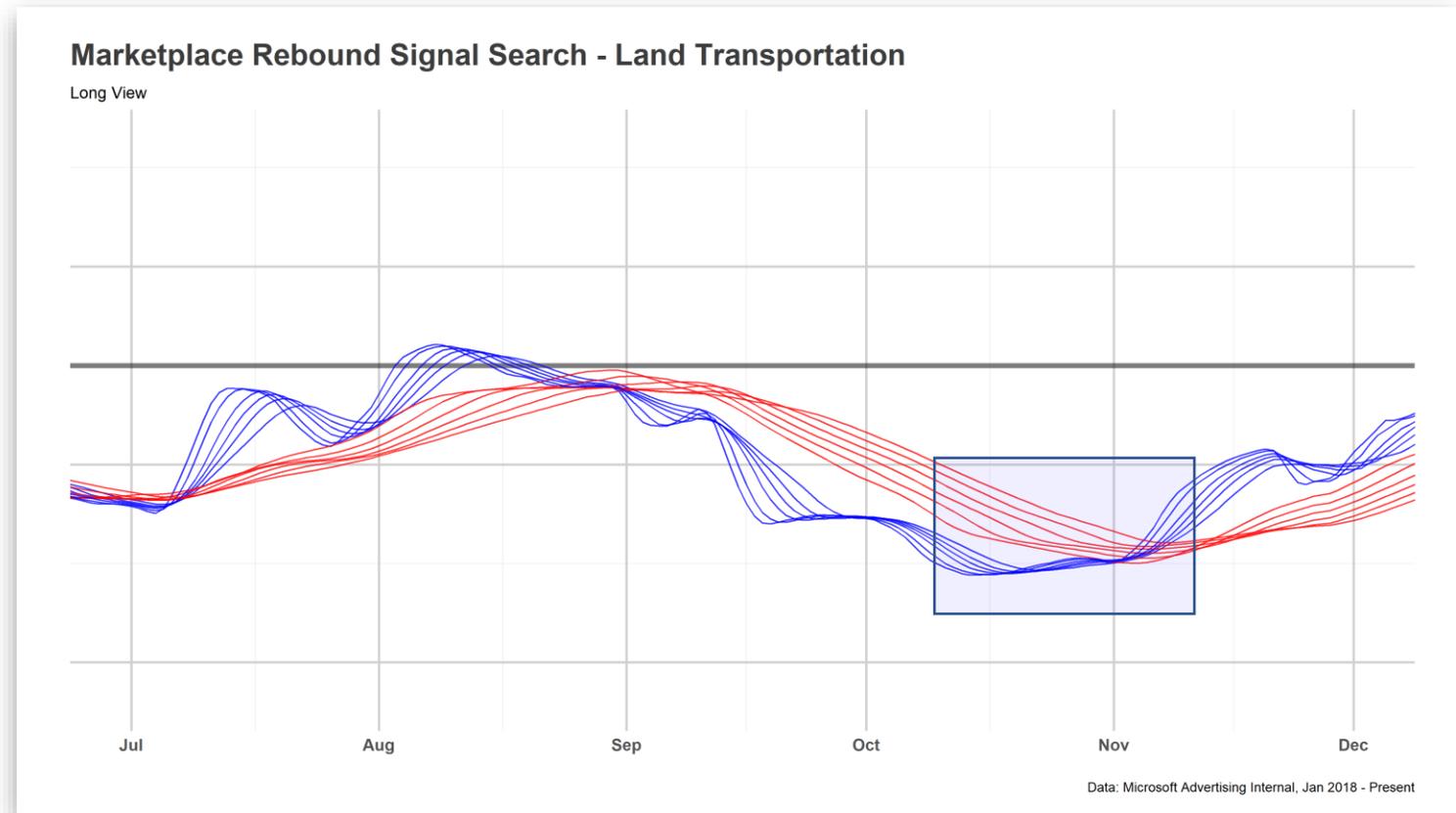


# Signal:

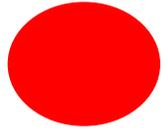


In this example, we see all six **longer-term moving averages** floating above all six **shorter-term moving averages** suggesting a downtrend

However, the **shorter-term moving averages** begin to reverse course, and move back through the **longer-term moving averages**. This is an indication that the marketplace is possibly turning around, and a good opportunity for advertisers to re-enter.

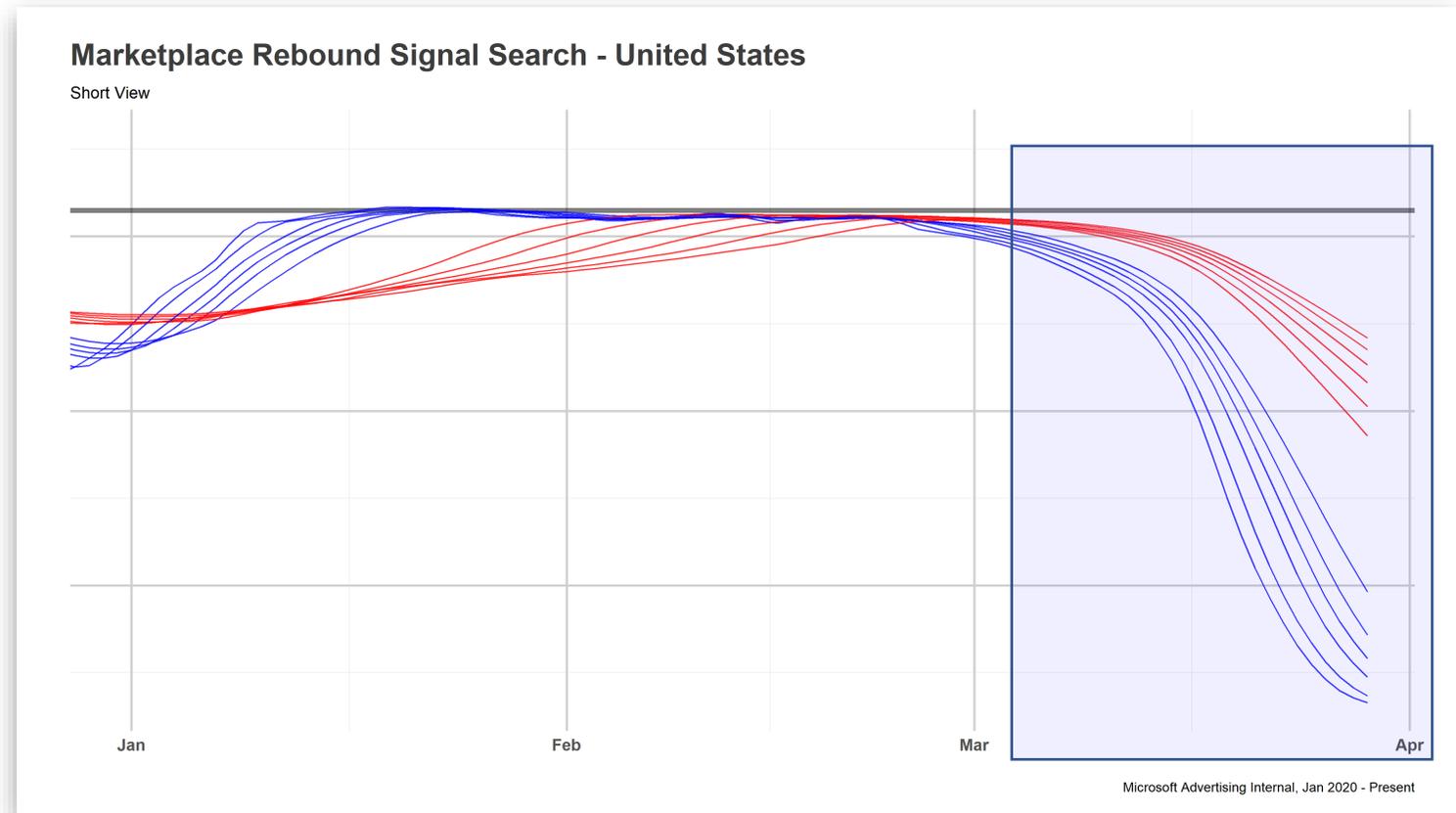


# Signal:



In this example, there is a clear negative gap between the **long-term moving averages** and the **short-term moving averages**, and that gap is increasing

When the cluster of **short-term averages** demonstrates behavior in the opposite direction, it will be time to think about a yellow signal. Until then, this is firmly a downtrend.



# 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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