Geo study (U.S.)
Automotive analysis

Geographic marketplace insights looking at “stay-at-home” orders from **February to April, 2020**
Pacific and Middle Atlantic are the most COVID-19 affected regions.

Vehicle search declines were not seen until April

- In March, amid COVID-19, vehicle searches still rose across every region.
- In April, when all states had issued some form of stay-at-home orders, we started to see declines in all regions but the West Coast (Mountain and Pacific region).
- In every region, except the West North Central, the declines were less than the prior month’s growth.

*MoM = month-over-month
**SRPV = search results page views

Source: Microsoft Internal Data Feb – April 2020
Vehicle click declines were moderate, at most -6%

- In line with searches, in March, most regions experienced click growth, except for 3 regions that were flat to down 1%
- In April, when all states had issued some form of stay-at-home orders, click declines were on average 0 to -6%
- Even though searches are up in the Pacific region, clicks are not trending similarly. This could be a signal to adjust ad copy.

Source: Microsoft Internal Data Feb – April 2020
States that closed early saw a rise in vehicle searches

- When disregarding regional divisions, we can see that in the states that issued early stay at home orders, searches rose both in March and April.

- Interestingly, only searches in states that closed late or never closed in March saw declines in April.

Source: Microsoft Internal Data Feb – April 2020
However, clicks did not grow in line with searches

- Even though searches were consistently up in March and April for states that closed early, clicks did not follow suit.

- Clicks were down as much in states that closed early (-4%) as they were in states that did not close until April.

Source: Microsoft Internal Data Feb – April 2020
Declines in vehicle searches did not reach double digits

- If we look at the worst performing states by SRPV % change, we notice only two states had declines in March (Alaska and Kansas), which means all but two states trended positively.

- In contrast, in April we started to see more widespread declines. However, declines in vehicles searches did not reach double digits.

- Worst performing state was Nebraska at -8%
The worst of the vehicle click declines was -15% in D.C.

- In March, Alaska, Kansas and New Mexico were declined the most in search growth and congruently declined the most in clicks by -13%, -7% and -3% respectively.

- Only 3 states in April reached double digit click declines: D.C. (-15%), Hawaii (-14%) and South Dakota (-10%).

Source: Microsoft Internal Data Feb – April 2020
California, the top autos state by searches, grew in March and April

- Growth in the more populated California was also notable, up 10% in March and 12% in April
- Vehicle searches grew the most in Montana with search growth of +20%, surpassing last month’s lead of +17% from Washington D.C.

Top 5 states by Feb. to Mar. MoM SRPV % change

<table>
<thead>
<tr>
<th>State</th>
<th>CA</th>
<th>DC</th>
<th>HI</th>
<th>ME</th>
<th>SD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Growth Rate</td>
<td>10%</td>
<td>17%</td>
<td>11%</td>
<td>11%</td>
<td>11%</td>
</tr>
</tbody>
</table>

Top 5 states by Mar. to Apr. MoM SRPV % change

<table>
<thead>
<tr>
<th>State</th>
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<th>MT</th>
<th>NV</th>
<th>WA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Growth Rate</td>
<td>14%</td>
<td>12%</td>
<td>20%</td>
<td>15%</td>
<td>14%</td>
</tr>
</tbody>
</table>

Source: Microsoft Internal Data Feb – April 2020
Click growth in April came from the lower volume states

- In March, California, DC, and Maine were top performers in search growth and congruently were top click growing states at 8%, 9% and 9% respectively.

- Top click growth in April came from lower volume states such as Vermont, Alaska and New Hampshire.

Source: Microsoft Internal Data Feb – April 2020
Use *geo bid-modifiers* to adjust your campaign strategy by state, taking into account state re-opening plans.

Adjust *ad-copy* in geographic areas where searches may be rising, but click growth has not followed suit.

Use *ad extensions* to emphasize any sales or new digital shopping tools now available on your site like virtual appointments.

Set up *remarketing lists* to keep users who may now have longer shopping windows engaged.

Leverage *in-market audiences* to help you identify new customer groups and to help prioritize your bids for customers who have a demonstrated interest in your vertical.

**Paid Search offers you the flexibility to connect with your consumers efficiently**
Strategies and recommendations

Questions?