



COVID-19 marketplace rebound gauge

Microsoft Audience Network



Objective:

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

What comprises the marketplace index?

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

Search
volume



Advertiser
participation



Auction
activity



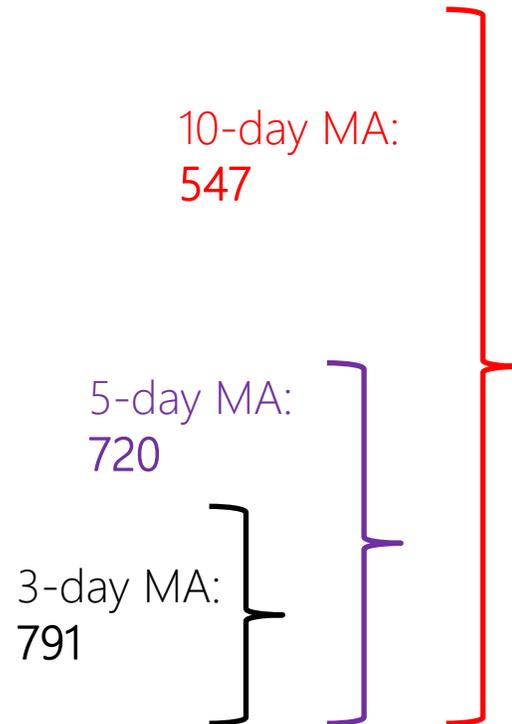
Searcher
intent



How the signals are extracted

A primer on how moving averages (MA) work

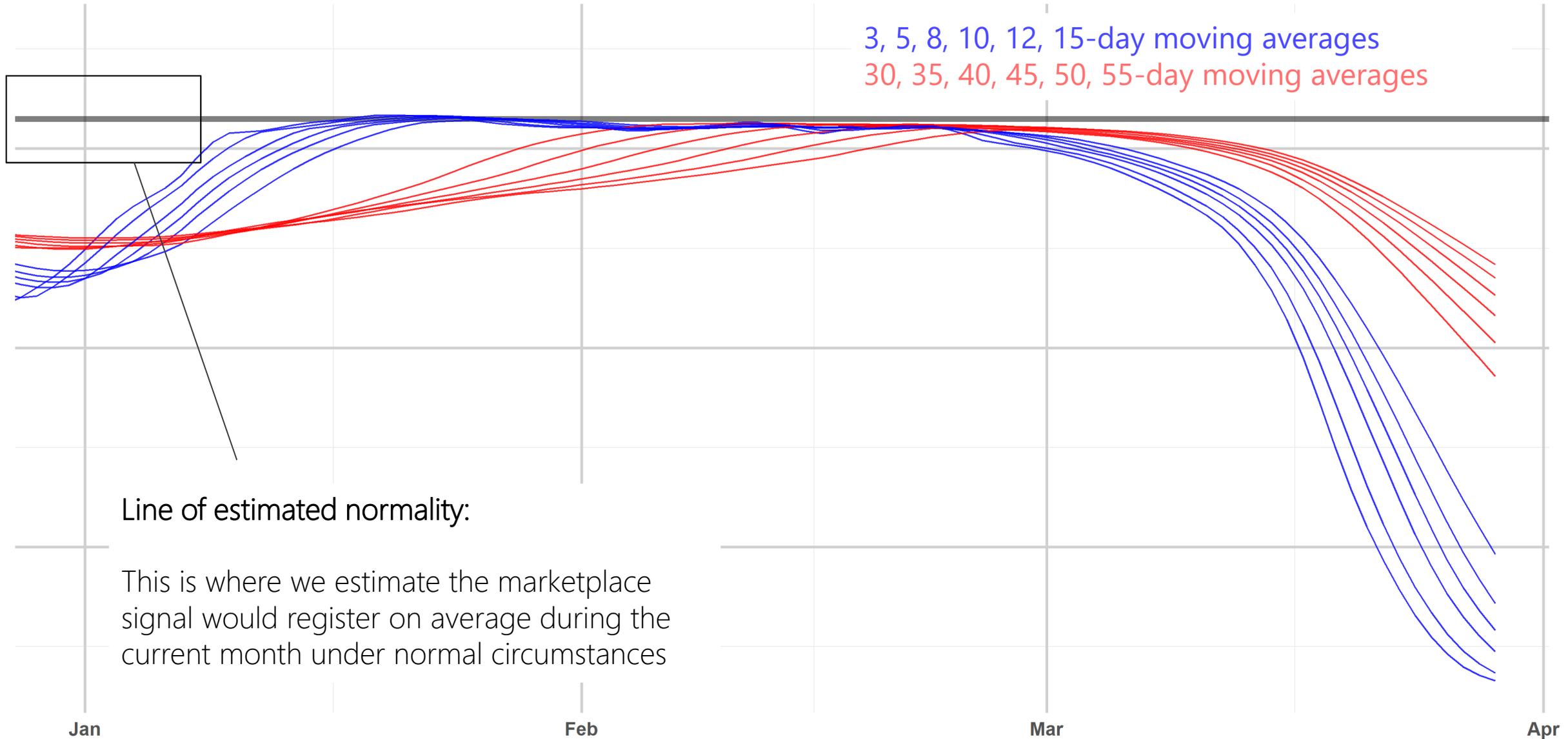
Date	Value
3/20	500
3/21	650
3/22	700
3/23	400
3/24	250
3/25	300
3/26	425
3/27	500
3/28	525
3/29	700
3/30	650
3/31	825
4/1	900



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.

Marketplace Rebound Signal Search - United States

Short View

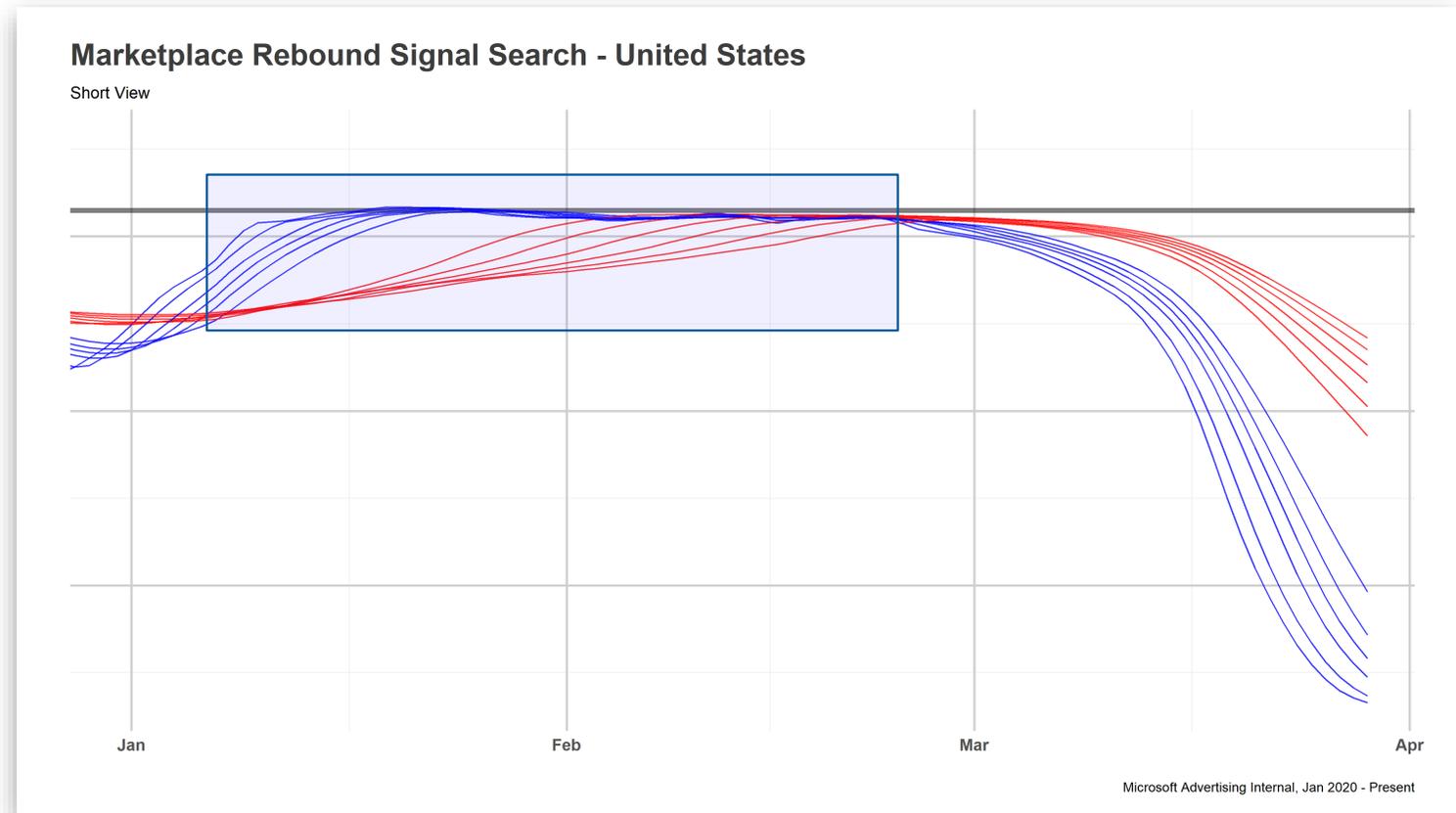


Signal:

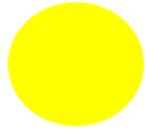


Here our cluster of **shorter-term moving averages** has consolidated around the **estimated line of normality**, pulling latent **longer-term moving averages** with it

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

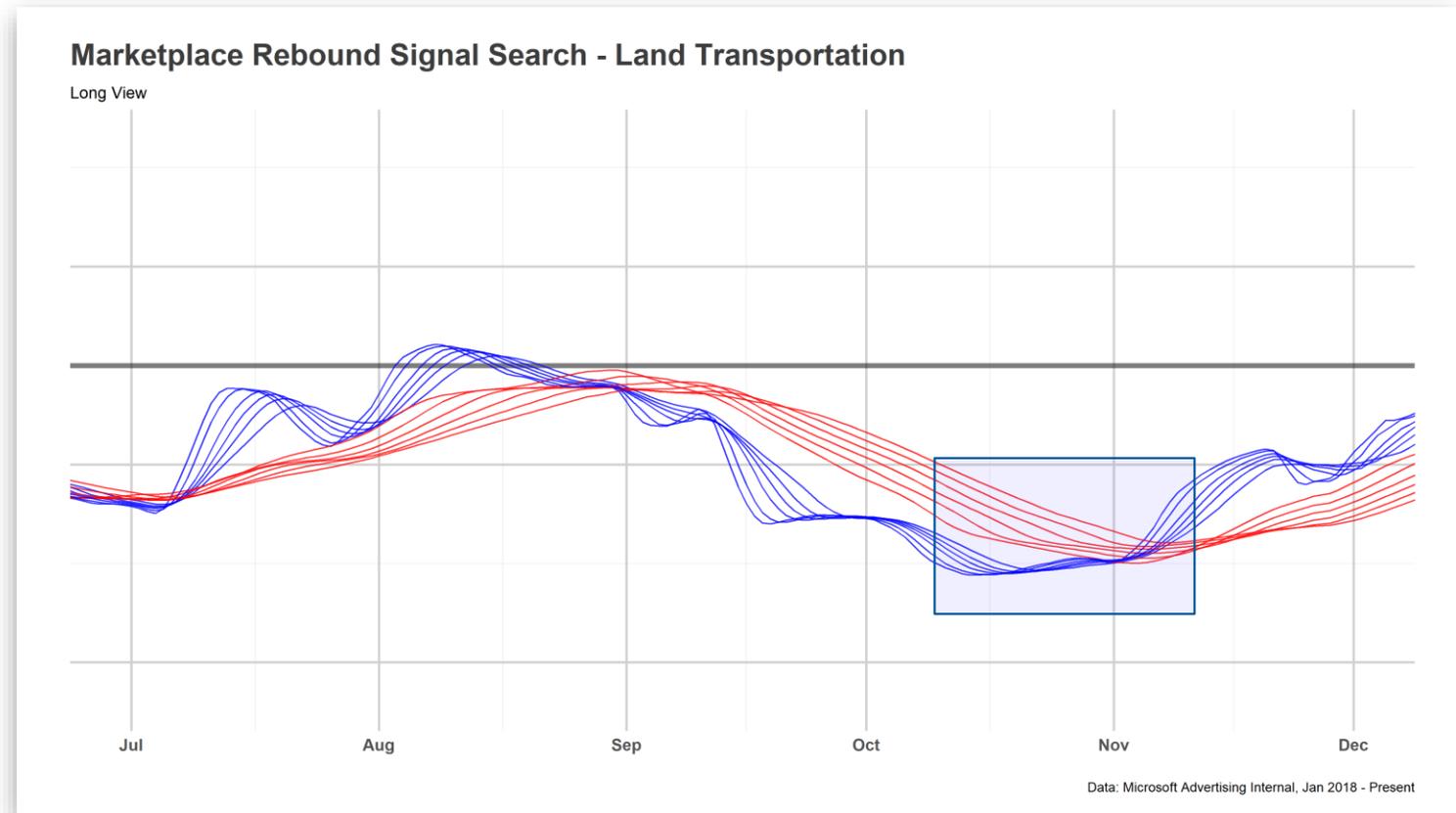


Signal:

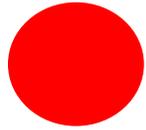


In this example, we see all six **longer-term moving averages** floating above all six **shorter-term moving averages** suggesting a downtrend

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.

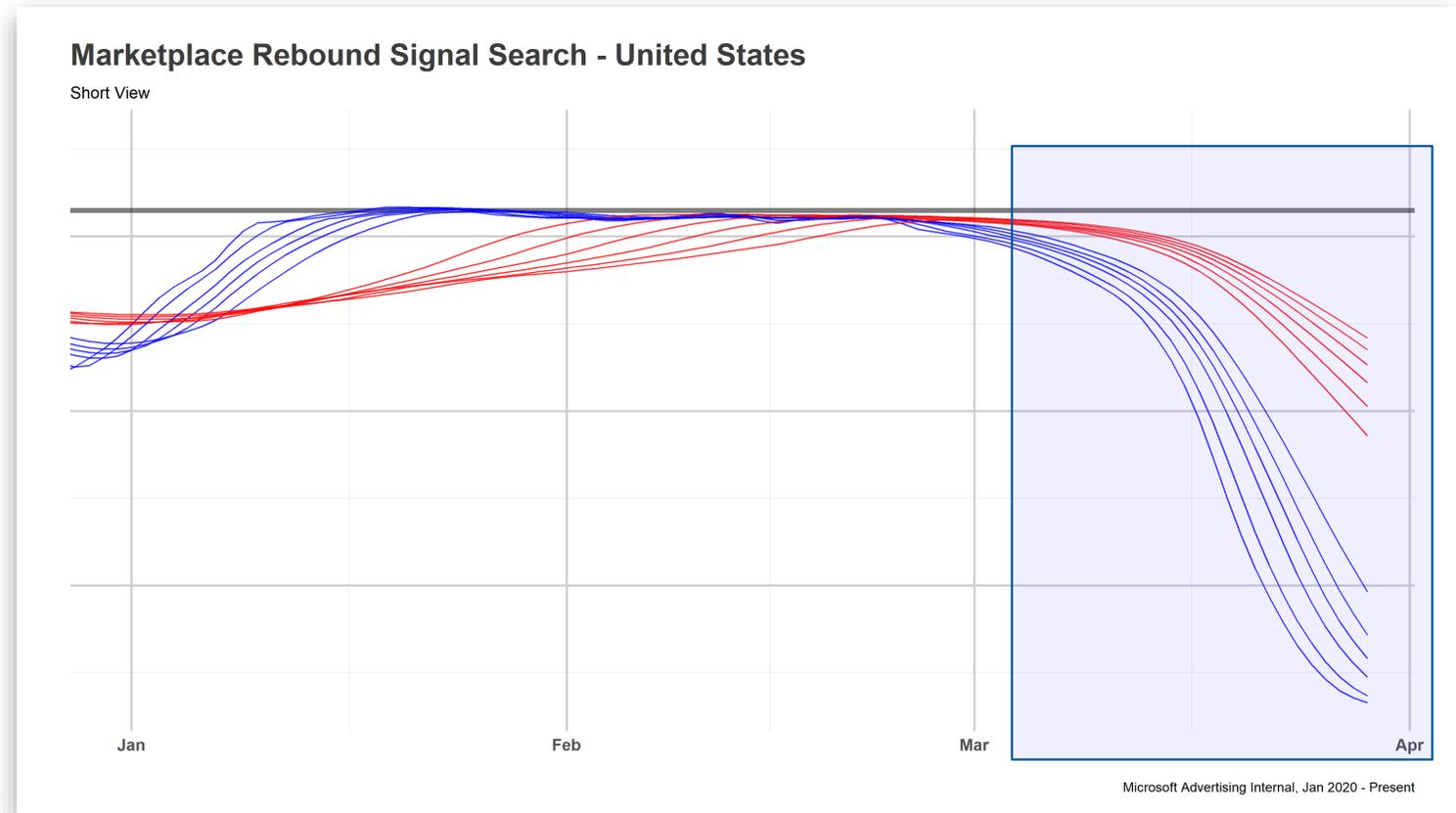


Signal:



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.



*How Microsoft Audience Network is performing
across verticals*

Marketplace signals – U.S. short window

Data through: 09/23/20

Sub-category

Signal

Signal guide

Autos



Marketplace index is showing positive momentum.

B2B Services



Marketplace index is showing some stability.

Financial Services & Insurance



Retail



Technology & Telecommunications



Travel & Transportation



Marketplace index is showing negative momentum.

CPG



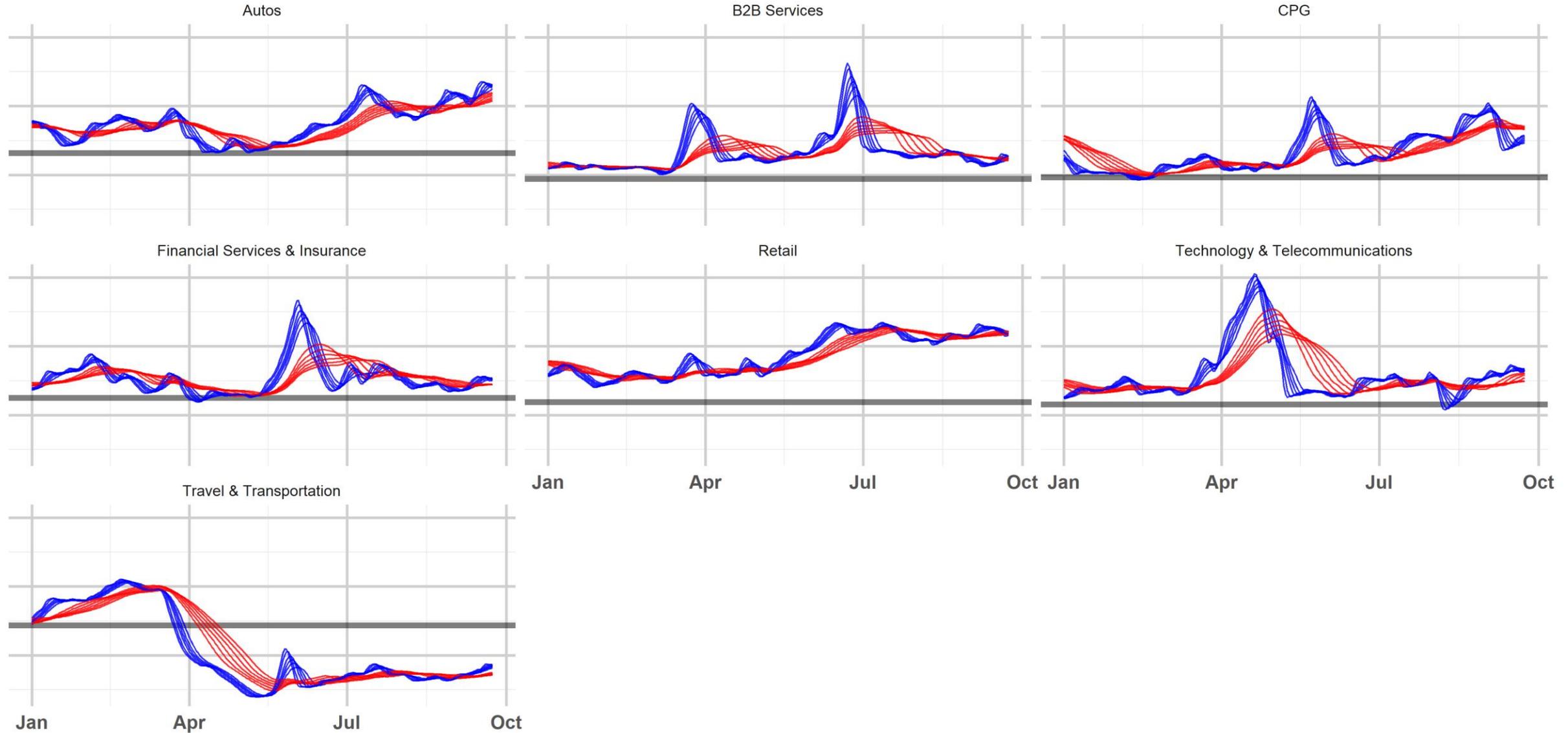
Marketplace Rebound Gauge, United States, Short Window

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

— Median of September '19 and September '18

3, 5, 8, 10, 12, 15-day moving averages

30, 35, 40, 45, 50, 55-day moving averages



*How Microsoft Audience Network is performing
across markets*

Marketplace signals – International short window

Data through: 09/23/20

Market	Signal	Signal guide
 Australia		 Marketplace index is showing positive momentum
 Canada		
 France		 Marketplace index is showing some stability
 Germany		
 Italy		 Marketplace index is showing negative momentum
 Spain		
 United Kingdom		
 Singapore		

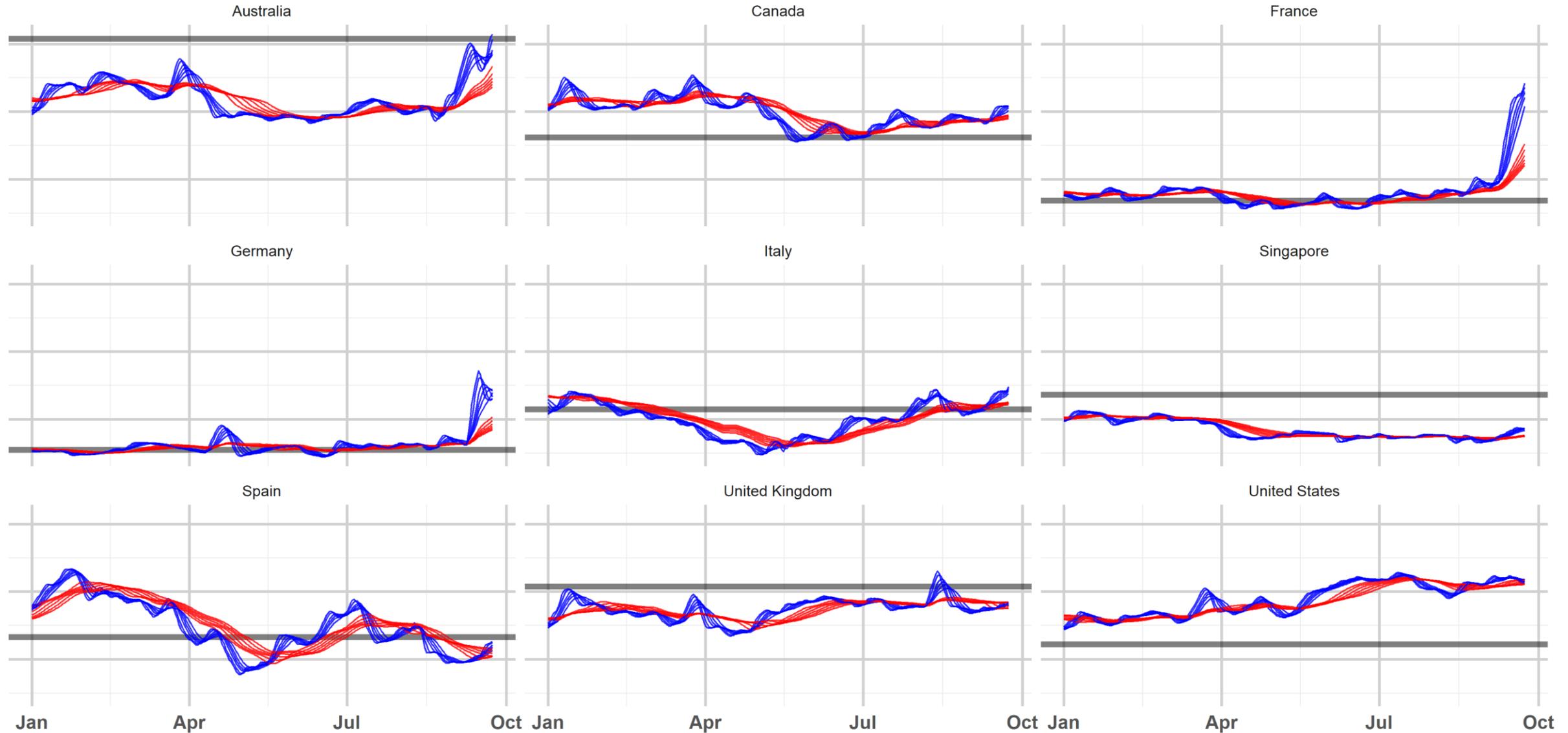
Marketplace Rebound Gauge, Global, Short Window

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

— Median of September '19 and September '18

3, 5, 8, 10, 12, 15-day moving averages

30, 35, 40, 45, 50, 55-day moving averages



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](#)

