



Microsoft Advertising Insights: Consumer eCommerce shopping behaviors

A behavioral analysis of the
online shopping journeys
for apparel, health and
beauty, and electronics



Microsoft Advertising and Luth Research have partnered together to conduct research and gain deeper insights into how search engine marketing (SEM) and digital commerce behaviors impact the online path to purchase.

This eBook takes a deep dive into the behavioral analysis of the role search plays in ecommerce shopping journeys for apparel, health and beauty, and electronics.



We understand that the marketplace has changed dramatically since this study was fielded. Now more than ever, it's important to understand digital behaviors in the path to purchase. While this eBook focuses on insights before the pandemic, we're confident that they're still very useful as we turn the corner, and our economy returns.



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Methodology

The selected insights in this report employed Luth Research's ZQ Intelligence, a passive metering technology and its database of digital behaviors to analyze search trends in the context of the overall path to purchase.



Total:

- 12,336 apparel shoppers.
- 11,297 electronics shoppers.
- 6,596 health and beauty shoppers.



- **Across 18 months, January 2018 to June 2019, in the United States.**
- **Passively metered behavioral data from computer and mobile devices.**



Other terminology used:

- Brand sites = selected sites that only sell their brand products and have an e-commerce function.
- Search = search engine search.
- Search visits = all category relevant search engine visits five minutes before visiting the relevant brand sites or Amazon.

We examined shopping journeys for apparel, health and beauty, and electronics to explore three key topics.



1 Who is converting more?



2 What are the digital behavioral markers of those converting more?



3 How do you find them?



APPAREL CASE STUDY

Insight summary

Shoppers who use search spend more



Amazon purchasers who search first spend more



Amazon apparel purchasers who perform an apparel search within five minutes before purchasing on Amazon spend over 73% more than those who do not.

If you maintain a strategy to focus on Amazon, search is a necessary and critical touch point for influencing and acquiring your high-value customers.

When the window of looking for search behavior is widened from five minutes to six weeks, searchers still spend 70% more than non-searchers.

Average apparel spend by Amazon purchasers with or without an apparel search within five minutes prior



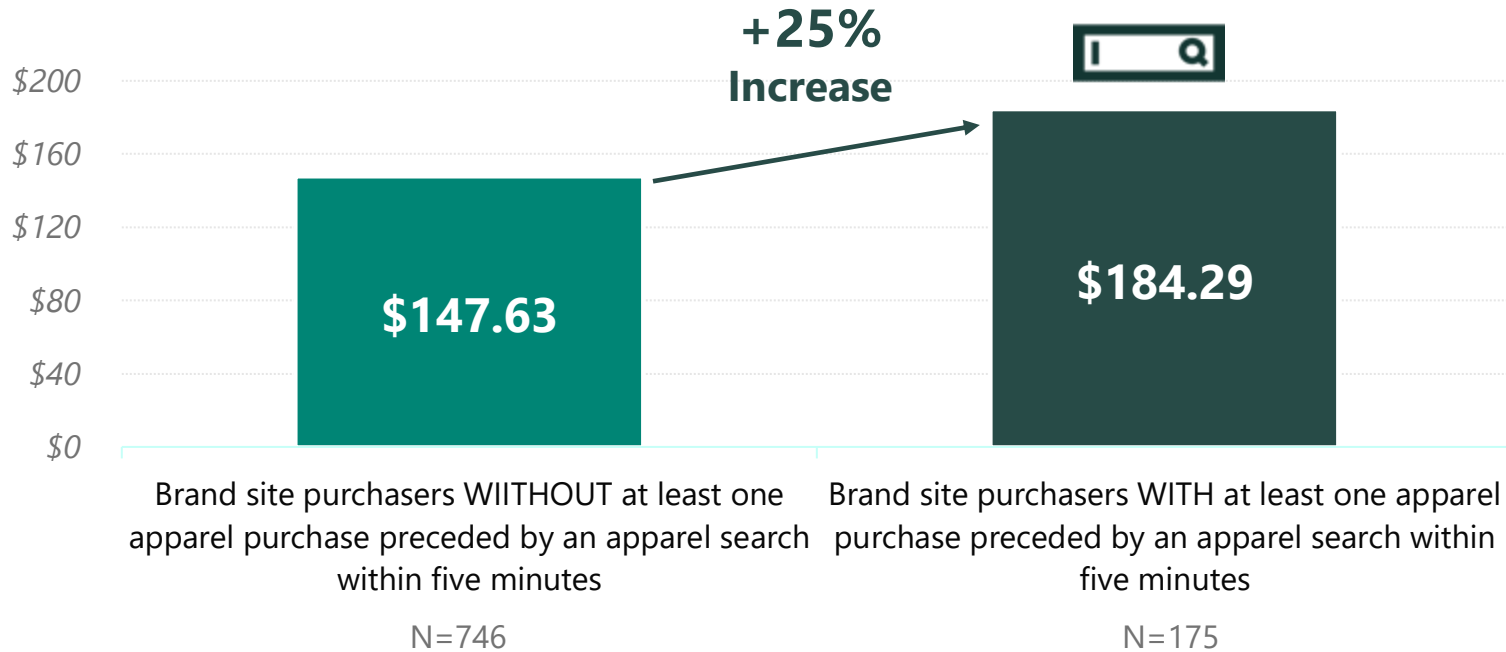
Online Apparel Shopping Behavioral Analysis; Microsoft Advertising Market Intelligence, September 2019, J. Randolph. Source: Luth Research ZQ Intelligence Passive Metering Panel Data.

Brand site purchasers who search first spend more



Brand site apparel purchasers who perform an apparel search within five minutes before purchasing on a brand site spend 25% more than those who do not.

Average apparel spend by brand site purchasers with or without an apparel search within five minutes prior



Comparing the direct visitors and searching visitors shows that investing in search advertising is important in order to influence the high-spending shoppers.

When the window of looking for search behavior is widened from five minutes to six weeks, searchers still spend 47% more than non-searchers.

Shoppers who use search

1. Become purchasers more frequently, and
2. Become repeat purchasers more frequently

Looking back at our apparel case study, here is what the conversion funnels look like between searchers and non-searchers to brand sites:

Non-searchers: Shoppers who NEVER HAD EVEN ONE visit to a brand site for apparel shopping that was preceded (within five minutes) by an apparel search.



Searchers: Shoppers who had AT LEAST ONE visit to a brand site for apparel shopping that was preceded (within five minutes) by an apparel search.





ELECTRONICS CASE STUDY

Insight summary

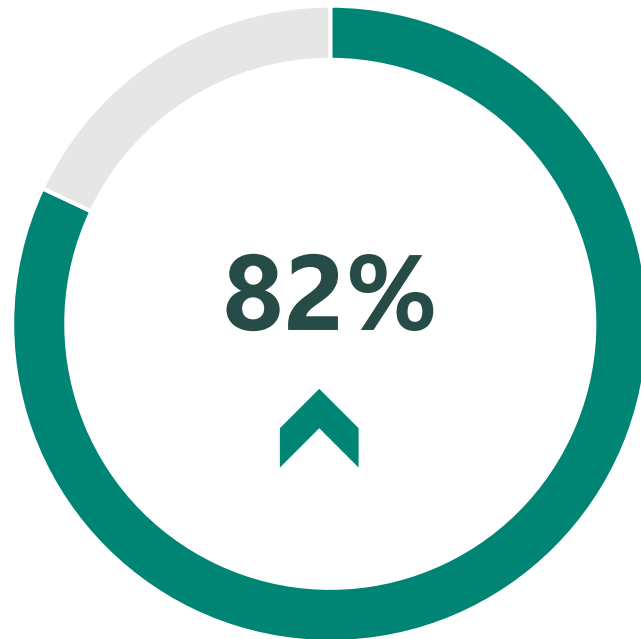
Search is a huge part of the journey and correlates with higher conversion



Brand site shoppers using search have an 82% greater probability of purchasing on brand sites



Increase in likelihood to purchase
Shoppers using a search engine versus shoppers not using a search engine.



When electronics shoppers search before visiting a brand site, they're more likely to make a purchase.

Of brand site shoppers:



Nearly 1 in 2 shoppers use a search engine before visiting.



45%

brand site shoppers use search engines before visiting.

15% use a search engine before purchasing.



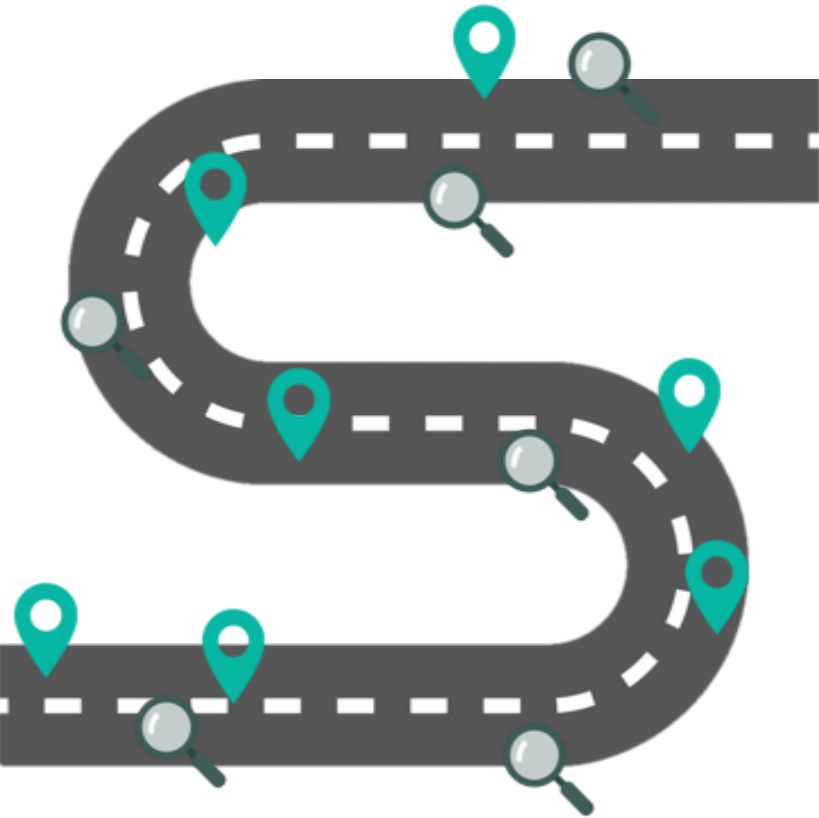
15%

brand site purchasers use search engines before visiting.




Search provides many valuable opportunities to connect with Amazon shoppers during their shopping journey

Electronics shoppers on Amazon are not “attention loyal” while shopping. They continue to rely on search engines to discover and refine their purchase decisions.



Amazon

During electronic shopping journeys that include Amazon:

 **77%**

Amazon shoppers used search engines as part of their overall shopping journey.

 **11.8**

Amazon shoppers on average used 11.8 searches during their overall shopping journey.

 **3.9**

Amazon shoppers on average made 3.9 “switches” to and from a search engine during their overall shopping journey.

Overall Shopping Journey = all the search engine searches and visits to brand sites, Amazon and other key electronics related retailers during a journey to buy an electronics item. A typical journey averages 4-6 weeks.
Online Electronics Shopping Behavioral Analysis; Microsoft Advertising Market Intelligence, September 2019, J. Randolph.
Source: Luth Research ZQ Intelligence Passive Metering Panel Data.

Electronics shoppers are multi-tasking across their purchase decision journey

Many shoppers are using search engines while also on the Amazon site



Amazon

Concurrently (during the same visit, perhaps in another tab or browser)



17%

Amazon shoppers use search engines **concurrently** during their shopping at Amazon.

92% of these shoppers abandon Amazon without ever making a purchase.



2.2

Amazon shoppers on average perform 2.2 searches **concurrently** while shopping on Amazon.



2.6

Amazon shoppers on average make 2.6 "switches" to and from a search engine while **concurrently** shopping on Amazon.

Overall Purchase Journey = all the search engine searches and visits to brand sites, Amazon and other key electronics related retailers during a journey to buy an electronics item.

A typical journey averages 4-6 weeks.

Online Electronics Shopping Behavioral Analysis; Microsoft Advertising Market Intelligence, September 2019, J. Randolph.

Source: Luth Research ZQ Intelligence Passive Metering Panel Data.

When buying electronics, nearly 40% of digital shopping moments take place in search

Digital shopping moments = searches or site visits.



Search engines

40%



Brand sites

27%



Amazon

12%



Retailers**

21%



Social media*

< 1%

*Social only includes Pinterest and Instagram considering relevance for the category.** Retailers exclude Amazon.
Online Electronics Shopping Behavioral Analysis; Microsoft Advertising Market Intelligence, September 2019, J. Randolph.
Source: Luth Research ZQ Intelligence Passive Metering Panel Data.

A close-up photograph of a woman with a joyful expression, wearing a vibrant red sweater. She is in the process of applying lipstick, with her finger holding the applicator to her lips. The background is softly blurred, showing another person's hand and part of their face.

HEALTH AND BEAUTY, AND ELECTRONICS CASE STUDY

Insight summary

Searches with product detail and brand yield higher conversions.

Non-brand search terms are important.



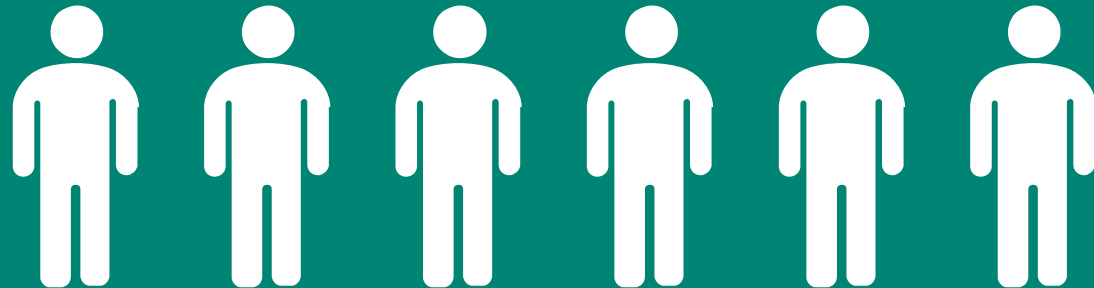


18% of brand site purchases follow an electronics search within five minutes.

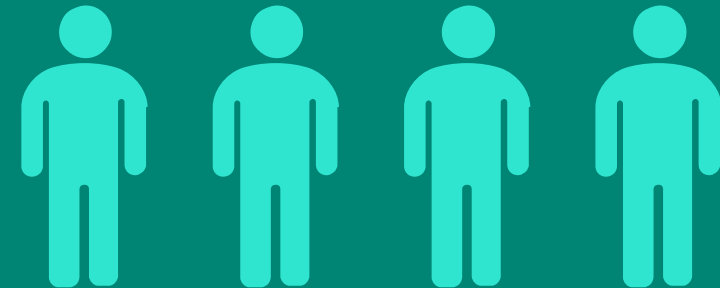
Non-brand searches account for 40% of those purchases.

Of the 18% of brand site purchases preceded by searches . . .

60% are brand searches



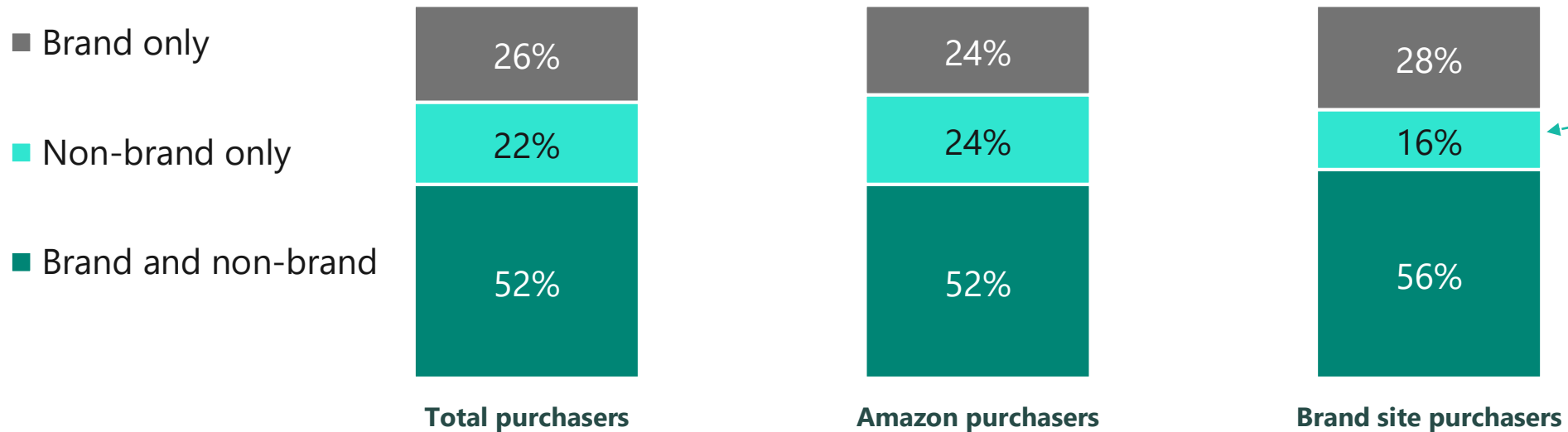
40% are non-brand searches



Of electronics purchasers who use a search engine, 22% of them are using non-brand terms only



% of total purchasers broken by types of search terms they use

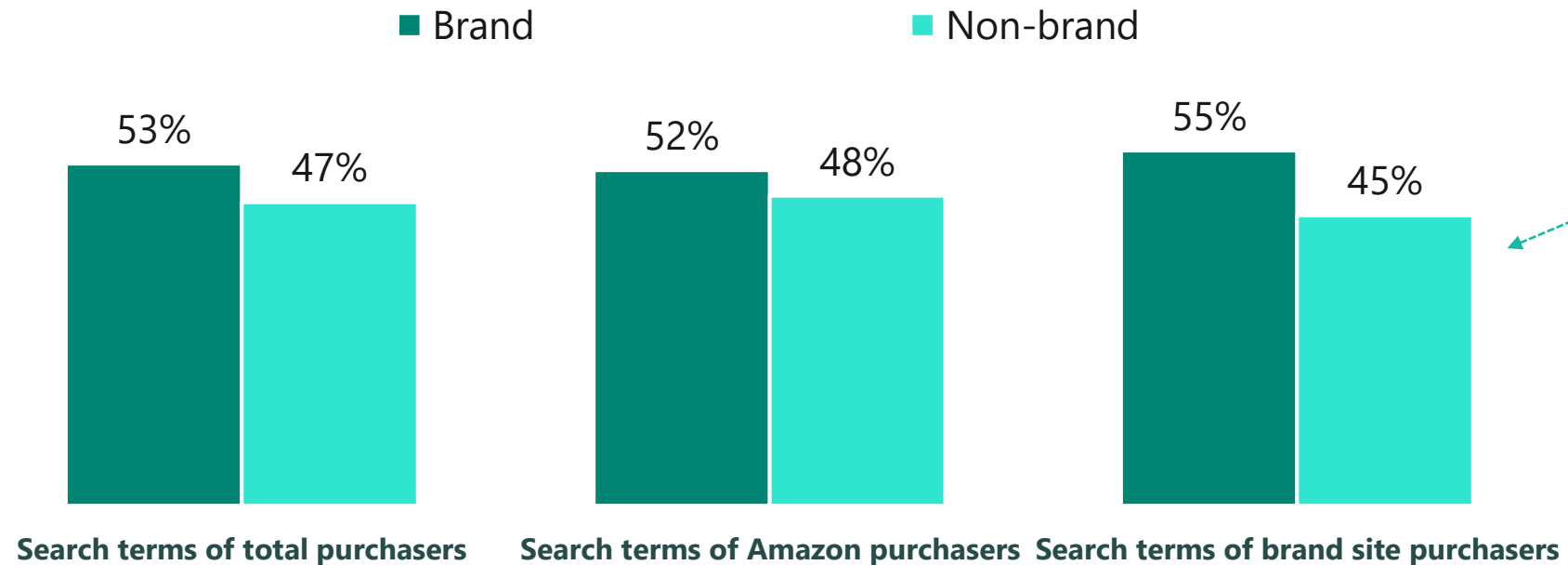


Non-brand terms remain very important even for brand sites, as 16% of electronics purchasers who search before purchasing are **only** using non-brand terms for their searches.

Nearly half of the search terms used by electronics purchasers are non-brand terms



% of total search engine searches by purchasers



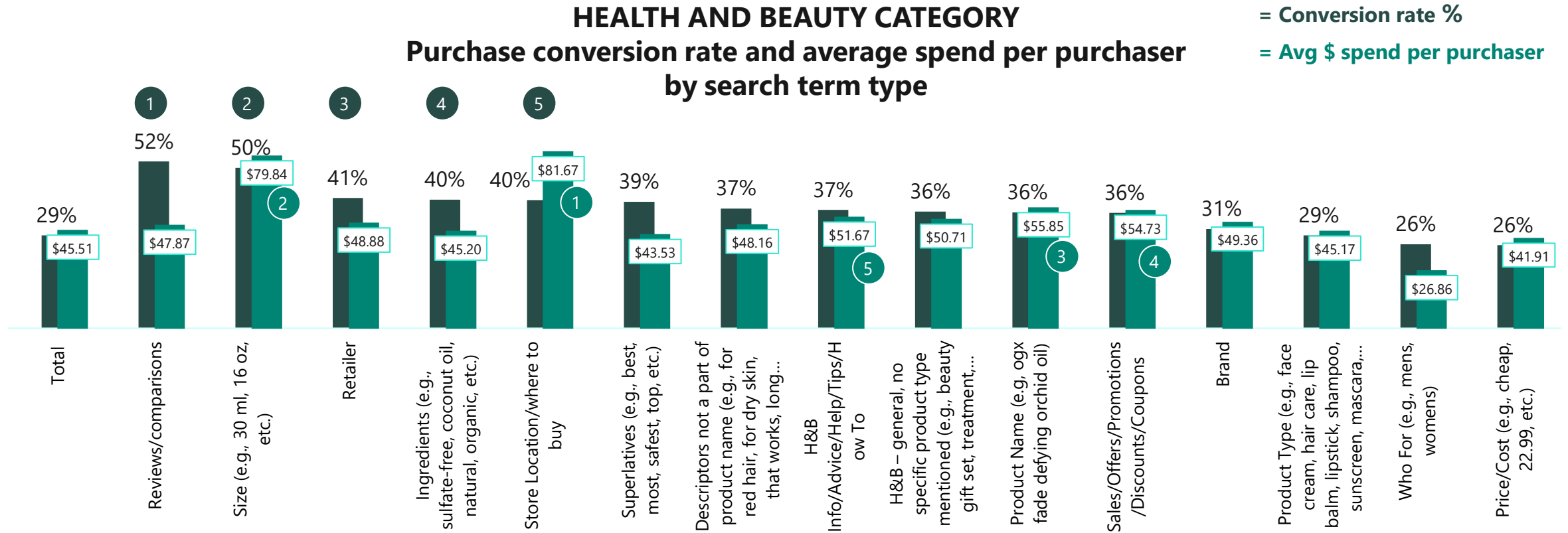
While electronics purchasers who purchase on brand sites tend to more frequently use brand terms, still, nearly half of the terms they use are non-brand.

Non-brand terms remain very important, even for brand sites.

Not all search terms are created equal



High-conversion search terms include reviews/comparisons, size, retailer, ingredients and store location. Terms for store location, size, product name, sales/offers, and info/advice tend to garner higher shopper value.



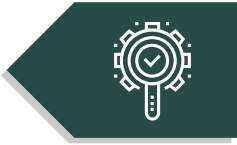
Some types of search terms are much more valuable during the holiday season



HEALTH AND BEAUTY CATEGORY Changes in the average spend per purchase trip during the holiday season compared to the full year*

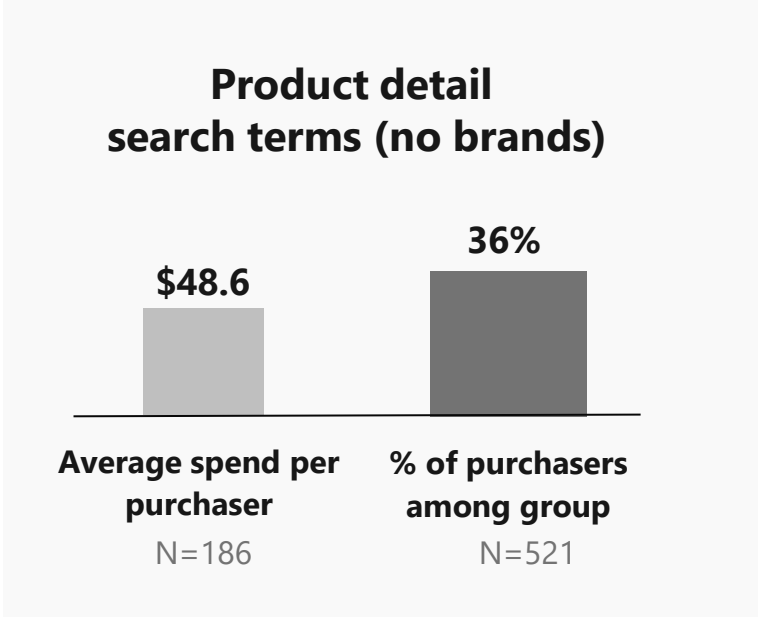


NOTE: *Full year includes the holiday shopping period.
Online Health and Beauty Shopping Behavioral Analysis; Microsoft Advertising Market Intelligence, September 2019, J. Randolph.
Source: Luth Research ZQ Intelligence Passive Metering Panel Data.

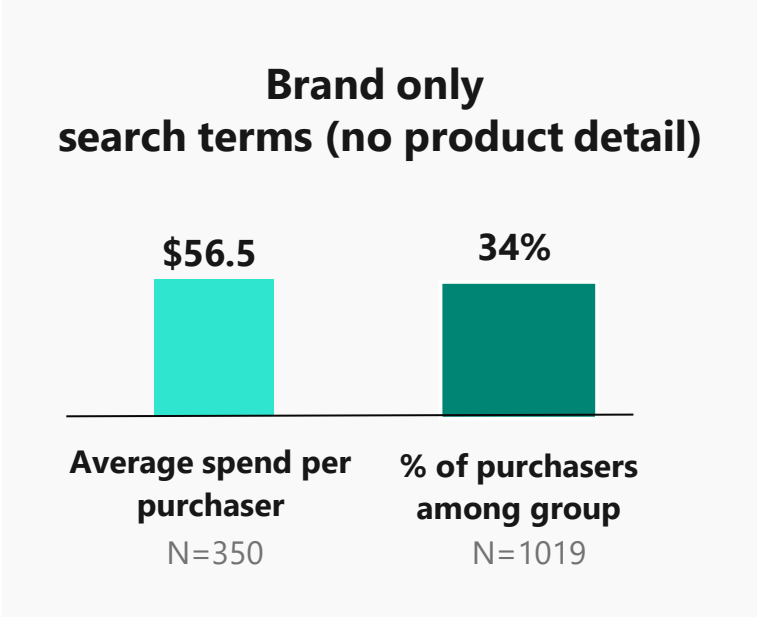


Targeting product detail AND brand search terms can yield a higher conversion rate

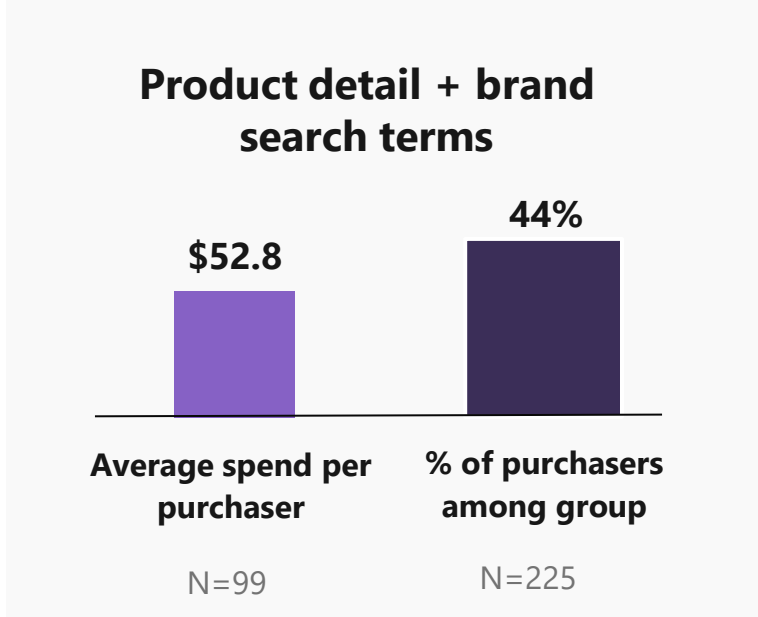
Product detail search terms without brands have a lower purchase value.



- #### Examples of search terms
- 4d silk fiber eyelash mascara
 - color correcting makeup for hyperpigmentation
 - hypoallergenic make up for sensitive eyes

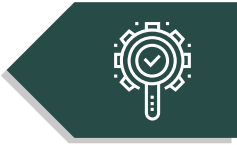


- #### Examples of search terms
- Aveda
 - bare minerals eyeshadow
 - bobby brown lip stick
 - Nyx makeup



- #### Examples of search terms
- Clinique clarifying lotion 1 dry skin pump
 - Covergirl exact eye lights mascara black ruby
 - L'Oréal infallible amber rush looks

Online Health and Beauty Shopping Behavioral Analysis; Microsoft Advertising Market Intelligence, September 2019, J. Randolph.
Source: Luth Research ZQ Intelligence Passive Metering Panel Data.



Among purchasers, brand search terms yield a slightly higher spend on average. Both brand and non-brand search terms have comparable repeat purchaser rates.

	Brand terms	Non-brand terms	Difference
Average spend			
Health and beauty	\$86	\$82	5%
Electronics	\$601	\$554	8%
Apparel	\$114	\$105	9%
Purchase rate			
Health and beauty	61%	39%	22%
Electronics	53%	47%	6%
Apparel	46%	54%	-8%
% of repeat purchasers			
Health and beauty (H&B)	39%	37%	2%
Electronics	22%	22%	0%
Apparel	51%	51%	0%

Brand terms yield a slightly higher spend.

Brand terms yield a higher purchase rate in H&B, and electronics but not in apparel.

Both brand and non-brand search terms have comparable repeat purchaser rates.

Based on related search terms conducted 5 minutes prior to related visits to Amazon or brand sites.
Online Health and Beauty Shopping Behavioral Analysis; Microsoft Advertising Market Intelligence, September 2019, J. Randolph.
Source: Luth Research ZQ Intelligence Passive Metering Panel Data.

ABOUT LUTH RESEARCH

For more than 40 years, [Luth Research](#) has been a leader in the market research industry by responding to our clients' most critical business needs. Powered by our proprietary online research panel and cross-platform digital tracking capabilities, our innovative research methods help today's businesses thrive.

ZQ Intelligence is Luth Research's patent-pending, **cross-platform digital behavior measurement system**. It combines Luth Research's research panel with proprietary web and mobile tracking technologies to correlate consumer actions and attitudes. This innovative technology is the only and most comprehensive platform that has deep visibility into computer, both iOS and Android mobile operating systems, both web and app data, and empowers our clients to passively track digital behaviors and activities on a single-source basis. [ZQ Intelligence](#) owns and provides access to the industry's largest panel database of shopping behaviors and media behaviors going back over five years.

ABOUT MICROSOFT ADVERTISING

Represent your brand at its best with advertising solutions guided by an uncompromising respect for privacy, brand safety, and data security. Microsoft Advertising provides intelligent solutions that empower you to deliver engaging, personalized experiences to over a half a billion people worldwide. Bing powers billions of searches monthly on the Microsoft Search Network, including Verizon Media properties (AOL, Yahoo), platforms like Amazon and Apple, and on Microsoft services like Windows, Office and Microsoft Edge. Extend your reach and campaign performance with Microsoft Audience Network, high-quality native placements across devices on premium sites like MSN, Outlook.com, Microsoft Edge and select publisher partner properties. Only Microsoft Advertising offers LinkedIn Profile targeting on search and native to help you find highly relevant audiences based on their company, job function and industry. With Microsoft Advertising, gain access to in-depth insights, intelligent advertising tools that use AI to improve campaign performance and audience targeting solutions to create more personalized advertising experiences.

Microsoft Advertising. Intelligent connections.



Contact us at 800.465.5884 or info@luthresearch.com to learn how to measure your customers' path to purchase.



Contact [Microsoft Advertising](#).