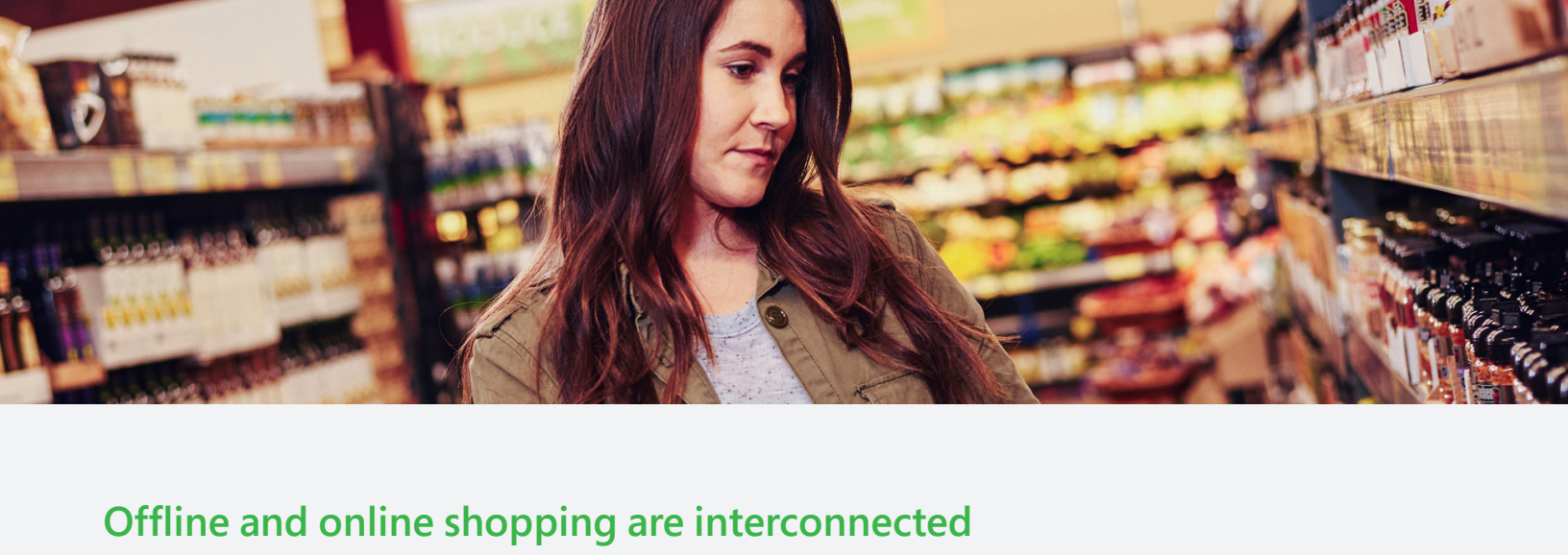


# Search matters: The value of Microsoft Advertising for consumer-packaged goods

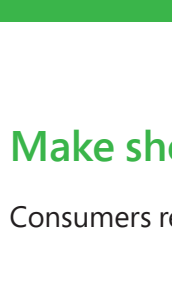


## Offline and online shopping are interconnected

Today's customer doesn't make a distinction between online or offline research and shopping. It's one holistic experience for them. Help maximize how many products you sell and keep your brand top of mind by creating a seamless online and in-store experience that includes paid search. It's more important than ever to use search advertising to boost brand recall and preference. Seeing your ad online builds purchase intent and product favorability with both online and offline shoppers. That's why businesses are increasingly investing in paid search to help them influence buyer behavior.



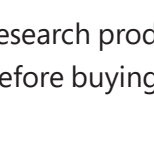
**PRO TIP 1:** Use your paid search ad copy to attract and influence shoppers by promoting the content they are looking for: product reviews, free delivery, easy returns, in-store pickup, store location and more.



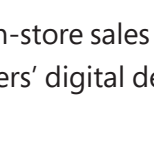
**PRO TIP 2:** Your competition is investing deeply in paid search. Be sure your advertising budget is primed to compete.

## Make shopping online and offline seamless

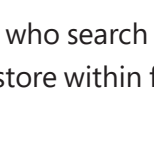
Consumers research products online, sometimes while in-store, before buying.



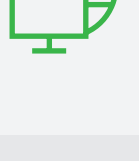
**68%** research products online before buying in-store.<sup>1</sup>



**56%** of in-store sales are influenced by customers' digital device use.<sup>2</sup>

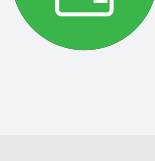


**72%** who search locally visit a store within five miles.<sup>1</sup>



### Online shopping is growing

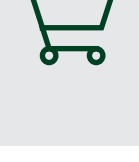
Ease and cost are the main drivers.



**43%** like the convenience.<sup>3</sup>

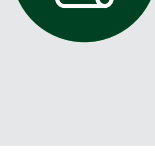


**19%** like the pricing.<sup>3</sup>

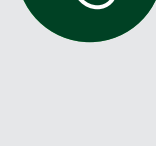


### Offline shopping is still prevalent

Many shoppers want to experience products the same day.



**49%** want to take items home immediately.<sup>4</sup>



**75%** want to physically interact with products.<sup>5</sup>

## The value of paid search

Paid search is growing faster than any other digital ad format and is expected to increase 28% year over year (YoY).<sup>6</sup>



## Growing consumer trends

Automatic reorders, voice assistance and private labels are on the rise. Give your brand a boost with search ads tailored to target changing buying habits.



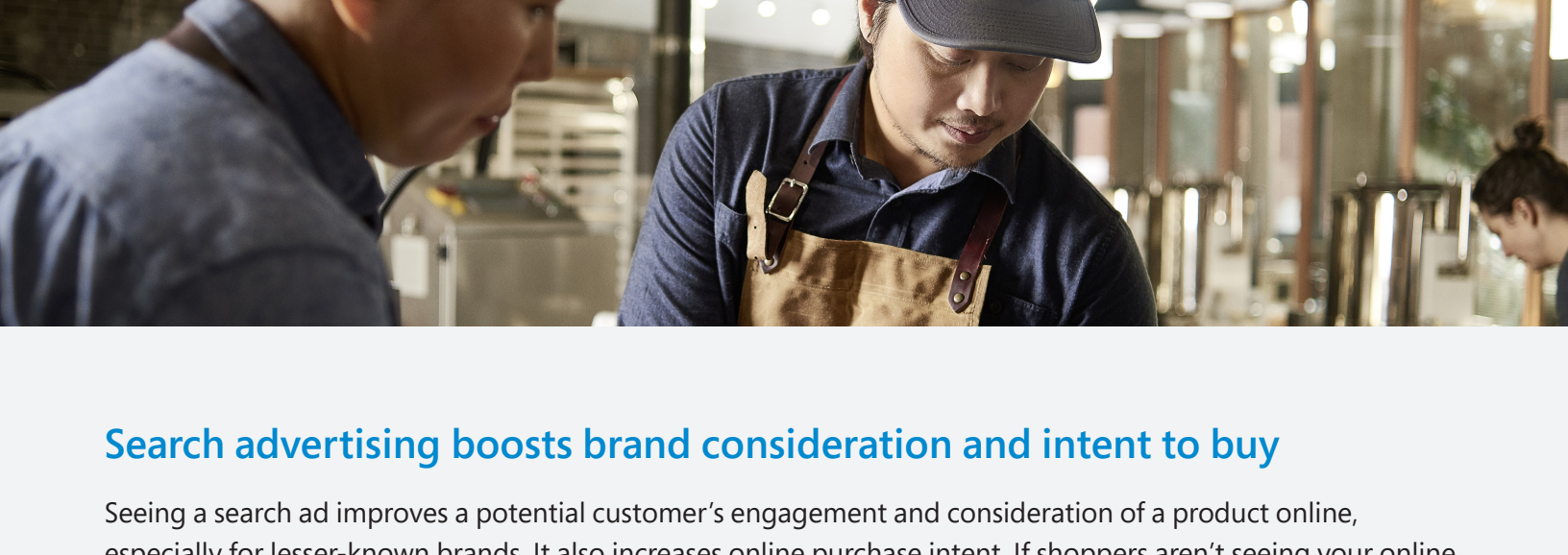
**72%** are willing to share purchase preferences for faster, automated product reorders.<sup>7</sup>



**54%** expect digital assistants to help make retail purchases in the next five years.<sup>7</sup>



**>3x** Private label growth is outpacing national manufacturer-branded items by more than three times.<sup>8</sup>



## Search advertising boosts brand consideration and intent to buy

Seeing a search ad improves a potential customer's engagement and consideration of a product online, especially for lesser-known brands. It also increases online purchase intent. If shoppers aren't seeing your online ads, you could lose customers to your competitors.



**PRO TIP:** Help shoppers see your ad first with [mainline bids](#).

## Exposure to search ads builds brand preference

### BRAND CONSIDERATION



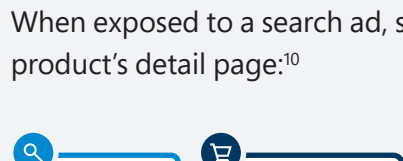
**4-POINT LIFT**  
Brand recall rose four points for searchers exposed to a **name-brand diaper ad** versus searchers who weren't exposed to the ad.<sup>9</sup>



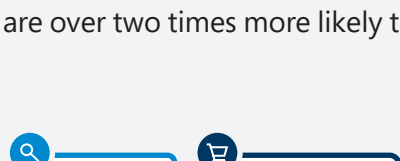
**13-POINT LIFT**  
Brand recall rose 13 points for searchers exposed to a **lesser-known competing diaper brand ad** instead of the market-leading brand's ad.<sup>9</sup>

## Product engagement

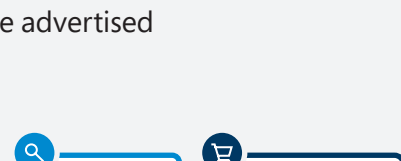
When exposed to a search ad, searchers are over two times more likely to visit the advertised product's detail page.<sup>10</sup>



**BEAUTY**  
**2.3x more**

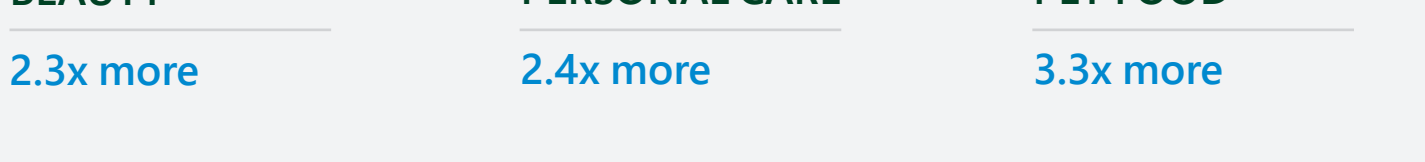


**PERSONAL CARE**  
**2.4x more**



**PET FOOD**  
**3.3x more**

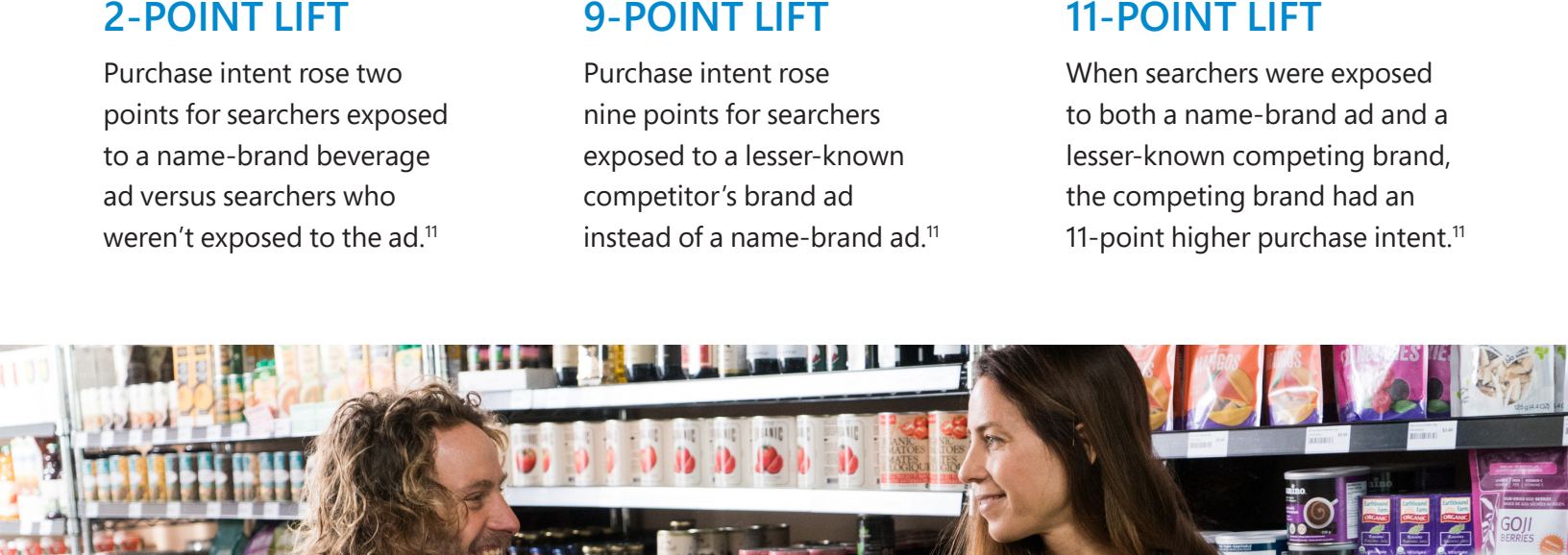
## Purchase intent



**2-POINT LIFT**  
Purchase intent rose two points for searchers exposed to a **name-brand beverage ad** versus searchers who weren't exposed to the ad.<sup>11</sup>

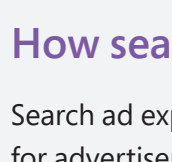
**9-POINT LIFT**  
Purchase intent rose nine points for searchers exposed to a **lesser-known competitor's brand ad** instead of a name-brand ad.<sup>11</sup>

**11-POINT LIFT**  
When searchers were exposed to both a **name-brand ad** and a **lesser-known competing brand**, the competing brand had an 11-point higher purchase intent.<sup>11</sup>

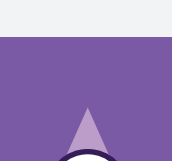


## How search ad exposure impacts in-store purchases

Search ad exposure increases the number of products bought offline. This translates to higher transaction value for advertisers.

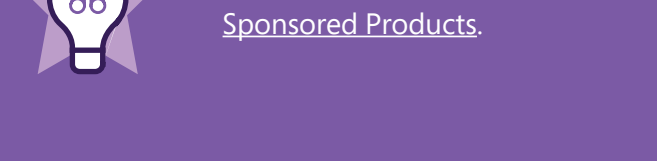


**PRO TIP 1:** Improve visibility by helping shoppers connect with you online and in-store by using [Location Extensions](#) and [Local Inventory Ads](#).



**PRO TIP 2:** Boost your digital shelf visibility and make your brand stand out even more with [Sponsored Products](#).

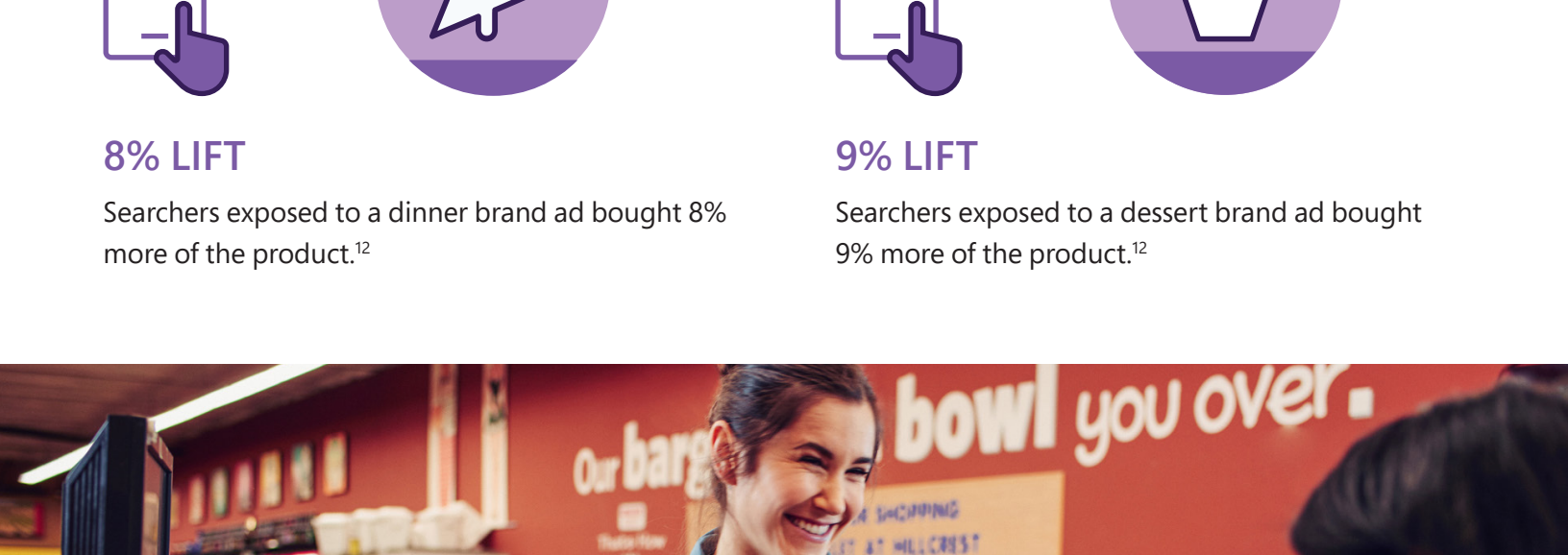
## Seeing an ad online results in more offline sales



**8% LIFT**  
Searchers exposed to a dinner brand ad bought 8% more of the product.<sup>12</sup>



**9% LIFT**  
Searchers exposed to a dessert brand ad bought 9% more of the product.<sup>12</sup>



**TAKEAWAY:** It's more important than ever to use paid search ads to help future-proof your brand and bottom line. Offline and online shopping are heavily influenced by search advertising, which makes maintaining a paid search presence a necessity for boosting brand recall, brand preference, and offline and online product sales.

With Microsoft Advertising, you can build your brand and business together. Have additional questions? [Contact us](#).

Microsoft Advertising. Intelligent connections.



1. "Why researching online, shopping offline is the new norm," Retail Dive, May 17, 2017, (https://www.retaildive.com/news/why-researching-online-shopping-offline-is-the-new-norm/442754). 2. Simpson, Jeff, Ohri Lokeshi and Kasey Lobaugh. "The new digital divide: The future of digital influence in retail," Deloitte, 2016, (https://www2.deloitte.com/content/dam/insights/us/articles/3325\_New-digital-divide/DLP\_NewDigitalDivide.pdf). 3. King, Jennifer. "Why shop online? It's easy," eMarketer, April 2, 2018, (https://content-n1.emarketer.com/why-shop-online-it-s-easy). 4. Sirovan, Sandy. "Why most shoppers still choose brick-and-mortar stores over e-commerce," Retail Dive, February 22, 2017, (https://www.retaildive.com/news/why-most-shoppers-still-choose-brick-and-mortar-stores-over-e-commerce/436068). 5. "On the path to purchase, 'showrooming' is a new way to shop," Nielsen, January 22, 2018, (http://www.nielsen.com/us/en/insights/news/2018/on-the-path-to-purchase-showrooming-is-a-new-way-to-shop.html). 6. Benes, Ross. "Digital ad spend by industry 2019: U.S. CPG," eMarketer, July 25, 2019, (https://content-n1.emarketer.com/us-cpg-digital-ad-spending-2019). 7. Kemery, Kelli and Olson, Christi. "Voice report: From answers to action: customer adoption of voice technology and digital assistants," Microsoft, April 2019, (https://about.ads.microsoft.com/en-us/insights/2019-voice-report). 8. Watson, Elaine. "Nielsen on private label: 'We've seen a complete reversal in growth trajectory compared to manufacturer branded items,'" FoodNavigator-USA, April 5, 2018, (https://www.foodnavigator-usa.com/Article/2018/04/05/Nielsen-on-private-label-We-ve-seen-a-complete-reversal-in-growth-trajectory-compared-to-manufacturer-branded-items#). 9. "Brand impact of paid search study: disposable diapers," Microsoft, 2019. 10. Microsoft internal data, U.S., manufacturer brand, August 2018. 11. "Brand impact of paid search study: beverage brand," Microsoft, 2018. 12. "Microsoft CPG offline attribution study," Microsoft, 2017.