

A young girl with dark hair is smiling and looking towards the camera while underwater. She is holding a large, light-colored seashell in front of her. The background is a clear, blue-green underwater environment with some bubbles and light filtering through the water.

Microsoft Advertising Insights

El océano del eCommerce navegando a través de las olas

Agenda



Global eCommerce growth trends

eCommerce is booming, but is it going to be a smooth ride?



Retail trends on our Network

Partner with us to grow your business and reach new customers



Ad Product Recommendations

How to leverage our offerings to improve your campaigns.

Ads, bid strategies, Audiences and more...

An unprecedented high-tide

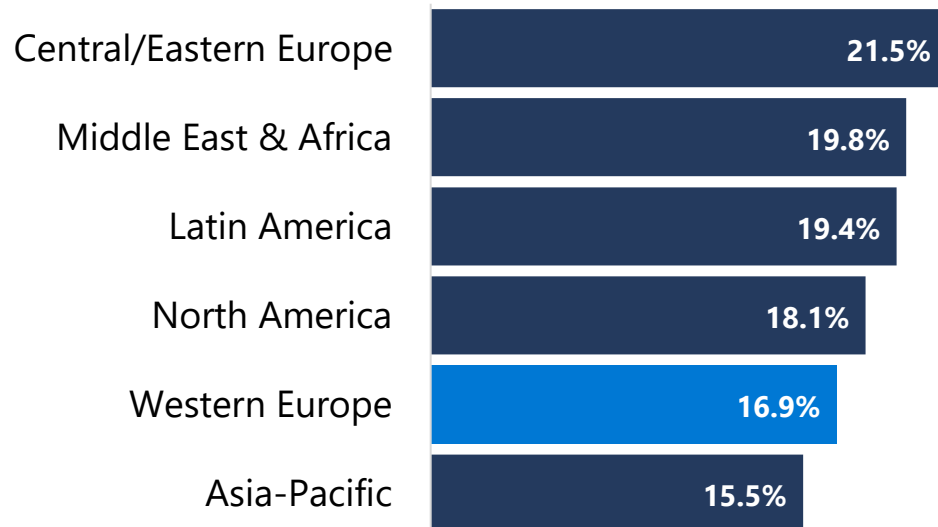
Global eCommerce
growth trends

eCommerce Retail growing and gaining significant rise in online shopping during lockdown



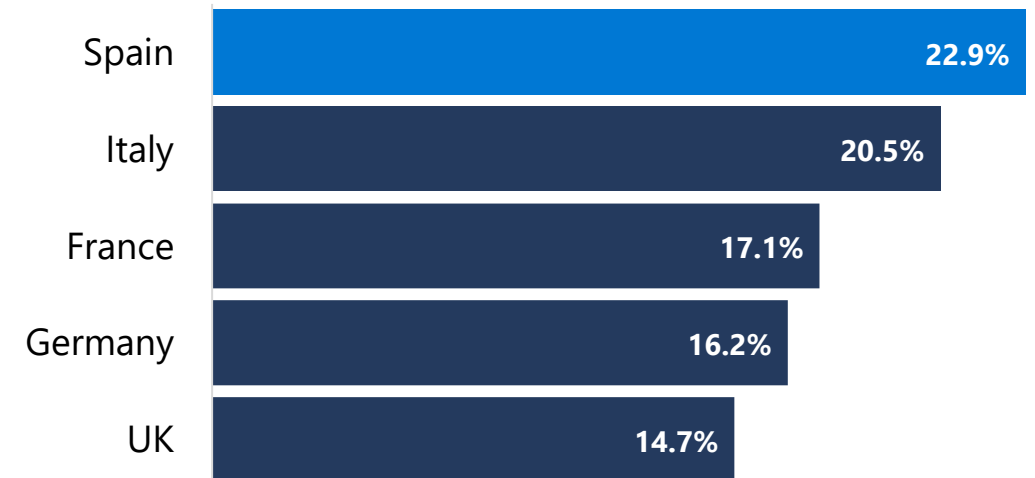
+16,6%

expected global eCommerce Sales growth in 2020



+16,9%

expected Western Europe eCommerce Sales growth in 2020

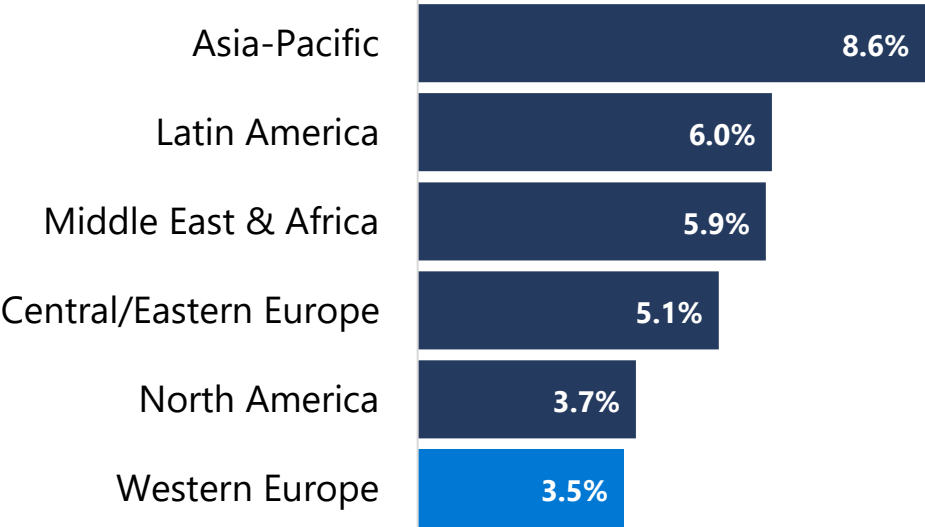


Boosted by the increased number of people shopping online – that will also continue to do so



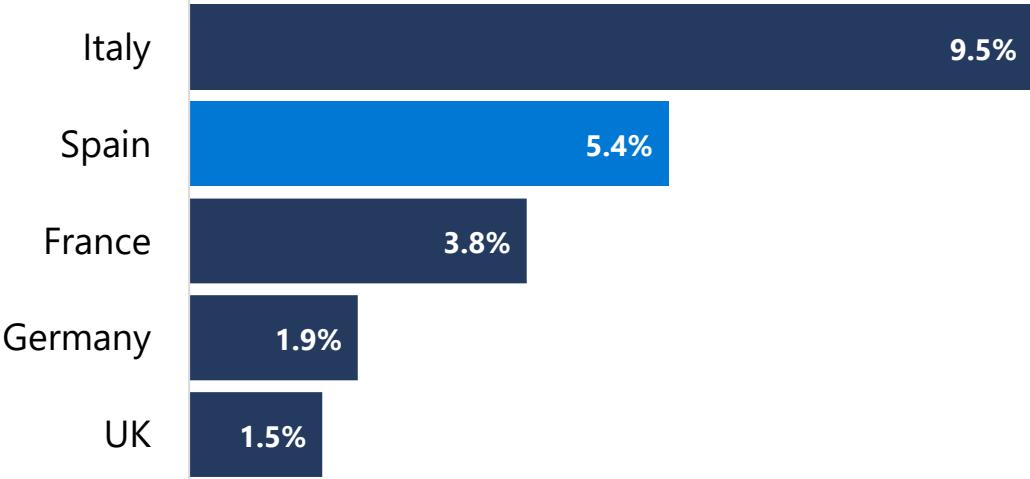
+6,9%

expected global eCommerce Buyers growth in 2020



+3,5%

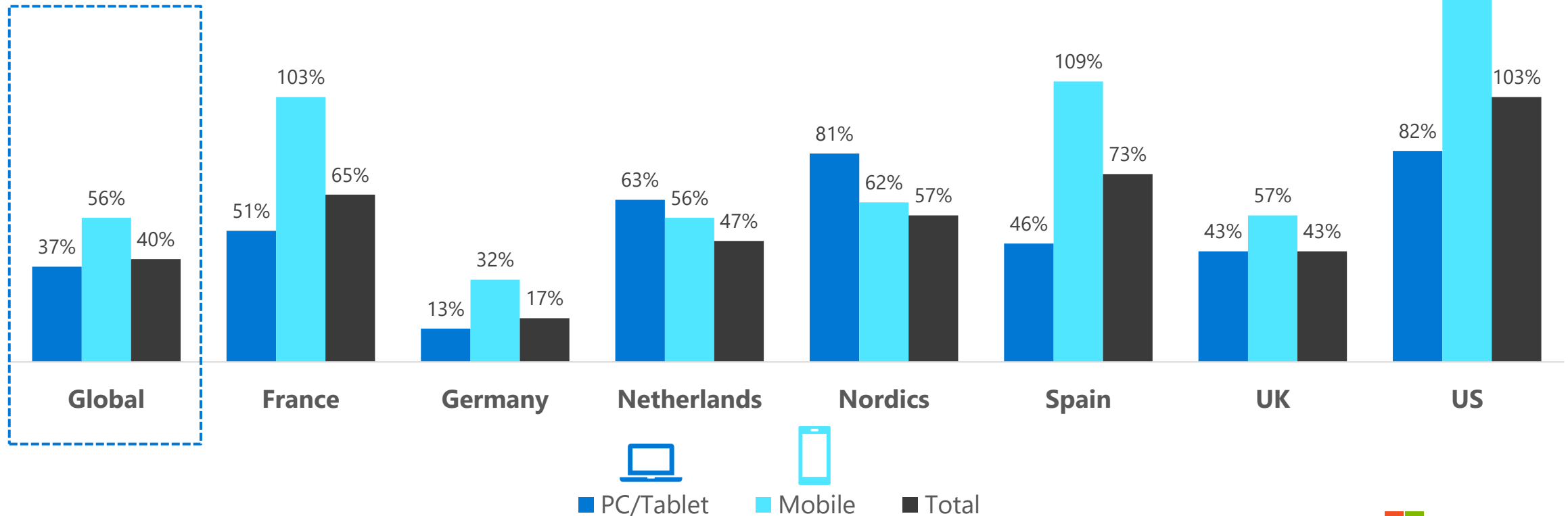
expected Western Europe eCommerce Buyers growth in 2020



Source: eMarketer, September 2020

There is also an increased average number of orders by users seen across the globe

Ecommerce Retail
Average volume of orders by user
(Year-over-year (YoY) growth, Q2 2020)



Unprecedented sales growth was seen for “essential” merchandise when it comes to enduring a lockdown

Global digital commerce growth in Q2 2020



+181%

Toys & Learning



+138%

Health & Beauty



+134%

Home & Garden



+73%

Apparel General



+35%

Apparel Luxury

Source: Salesforce, The Shopping Index, Q2 2020

Not an easy path though

Challenging waves are
on the way

In a moment of uncertainty, rather than sticking to familiarity, consumers did the opposite

Switching behavior



During the last 2 months, when shopping for a specific category or product, have you switched from brands or retailers where you previously shopped?

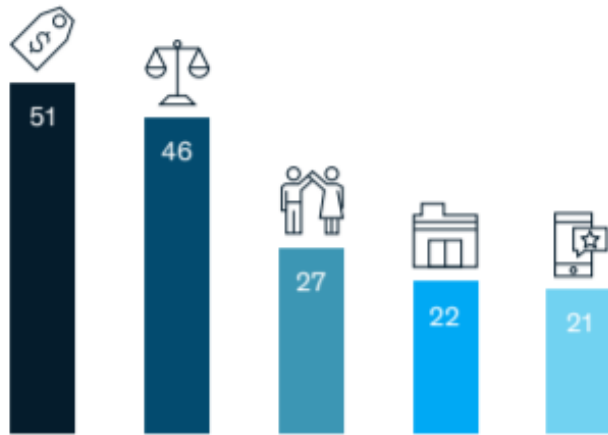
40%

of respondents said they tried new brands or made purchases with a new retailer

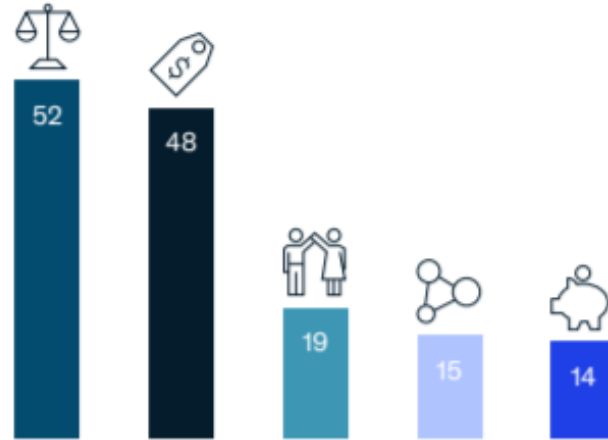
Top 5 reasons for switching brands/retailers during shutdown, by country, % of respondents

- Offer lower prices
- Offer better price/value ratio
- Support employees
- Repurposing facilities
- Offer relevant promotions and messaging
- Offers ways to maintain social connections
- Donates to COVID-19 relief efforts
- Communicates in preferred channel

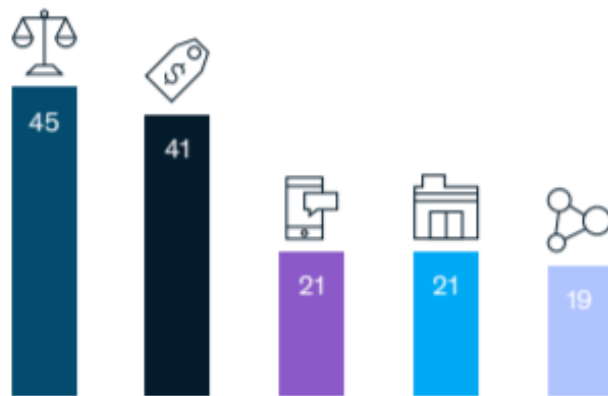
United States (n = 619)



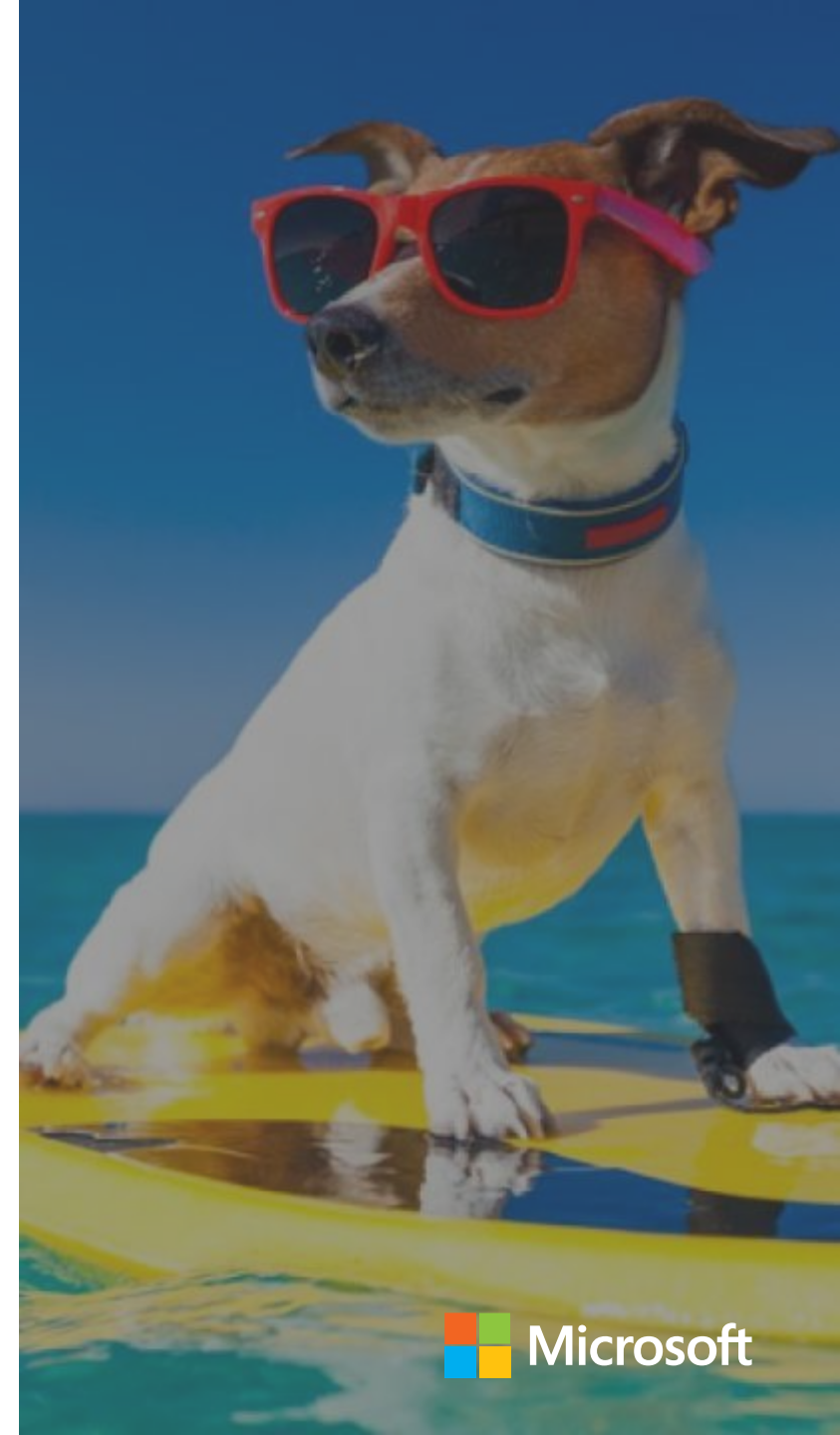
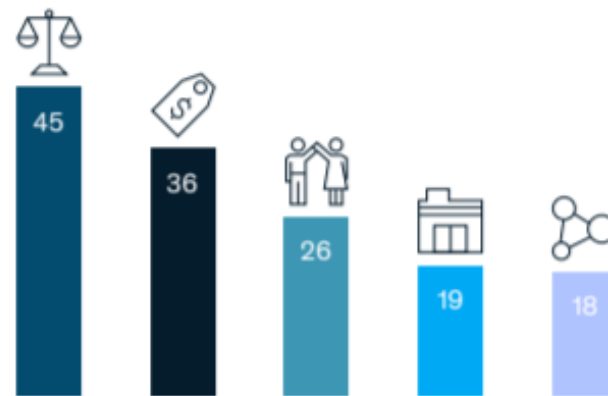
United Kingdom (n = 314)



Germany (n = 292)



France (n = 317)





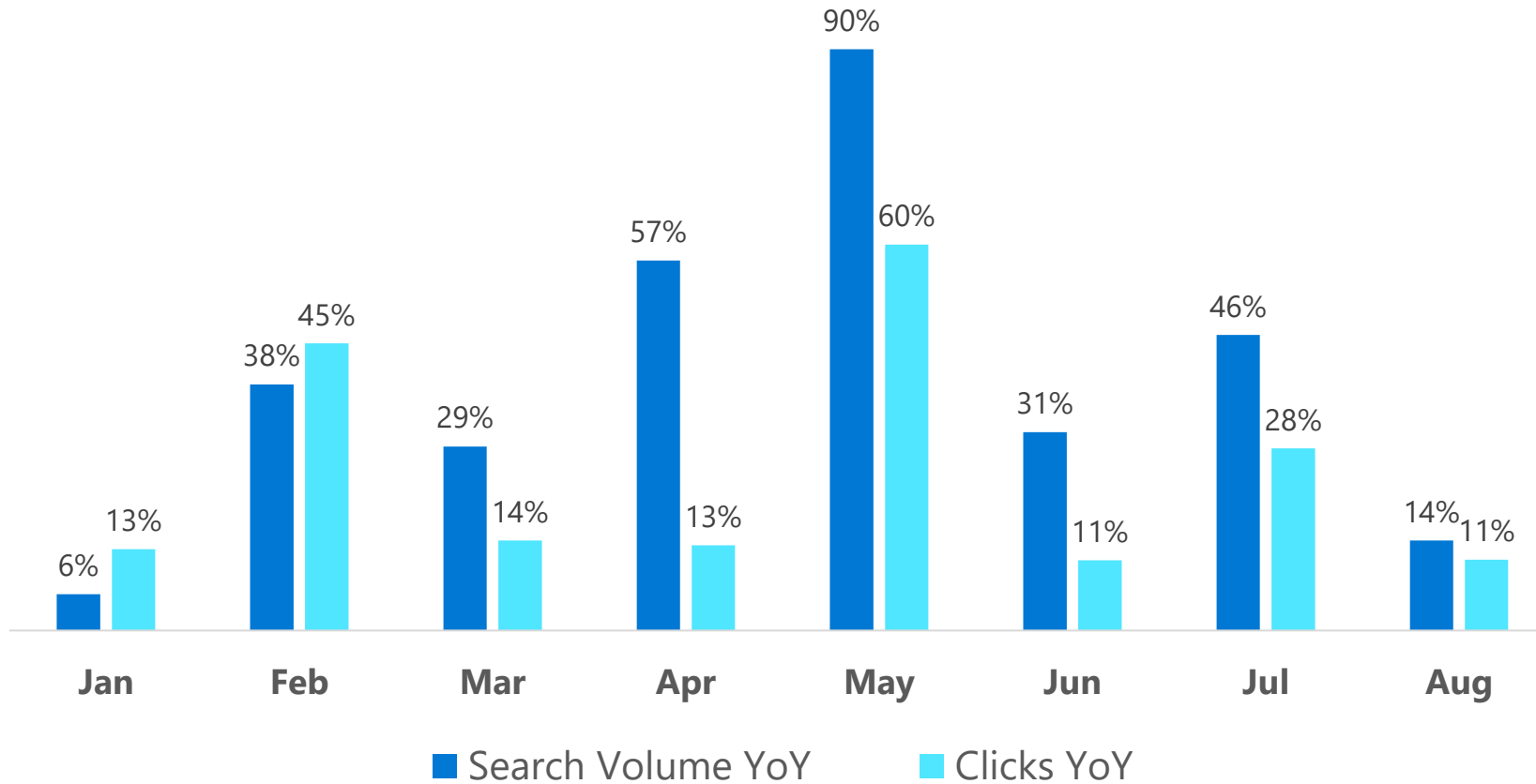
In the depth of our Network

Latests on Retail from the
Microsoft Advertising
Network



EMEA Retail speeds up dramatically both in terms of traffic and clicks

EMEA – Retail YoY % change



43%

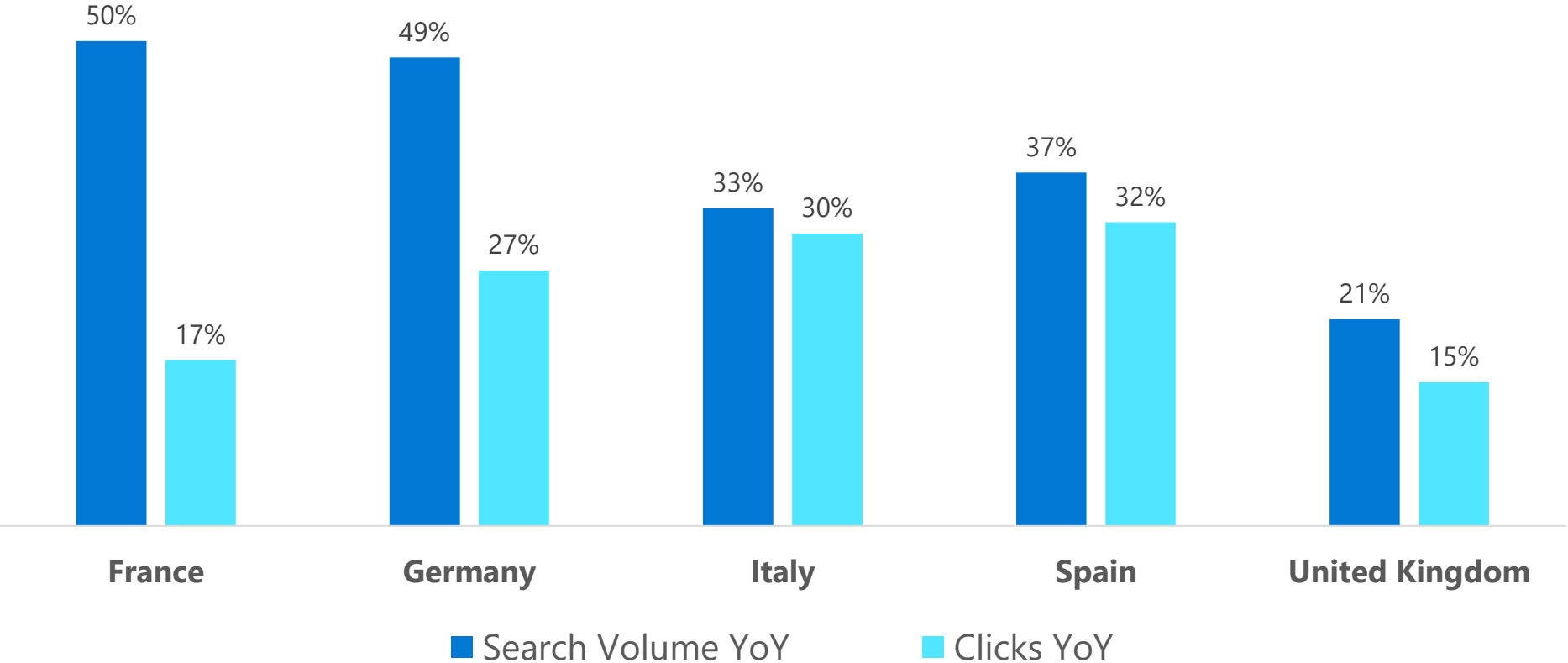
Search volume YoY growth
(January to August)

26%

Click volume YoY growth
(January to August)

The growth in traffic and clicks was seen in all the top five markets

EMEA – Retail YoY % change

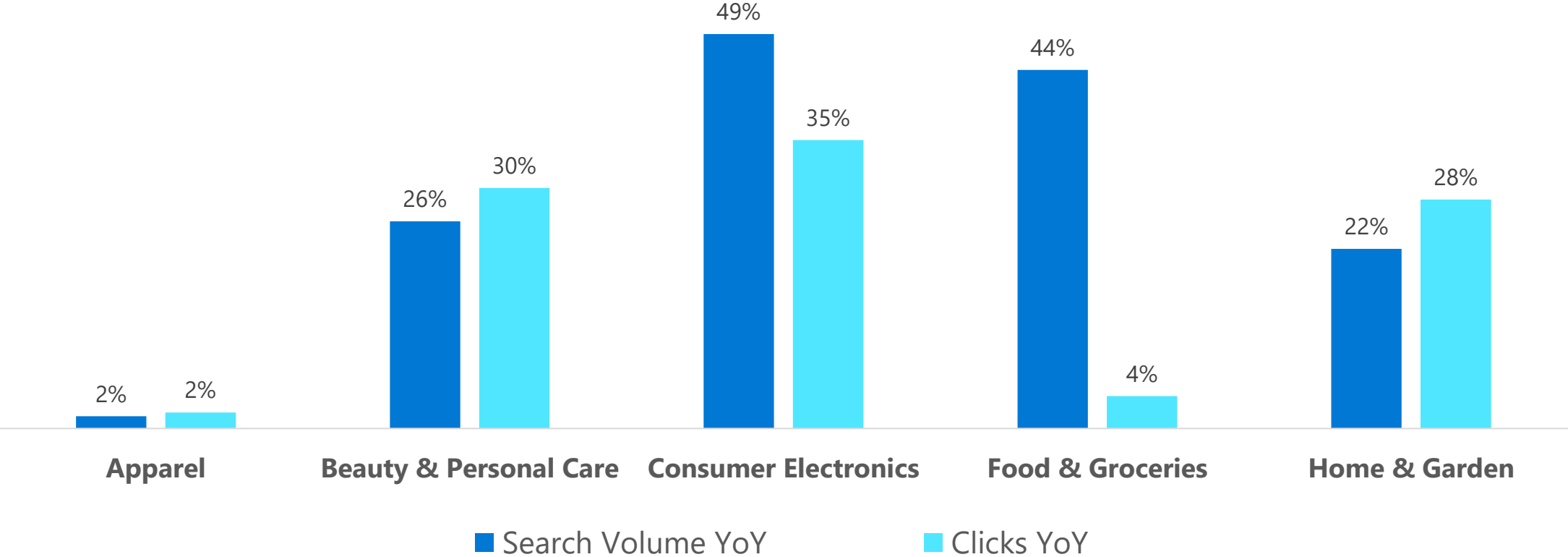


Source: Microsoft Internal Data, EMEA, Jan 2019 – Aug 2020 YoY



Consumer Electronics and Beauty were the fastest growing categories

EMEA – Retail YoY % change

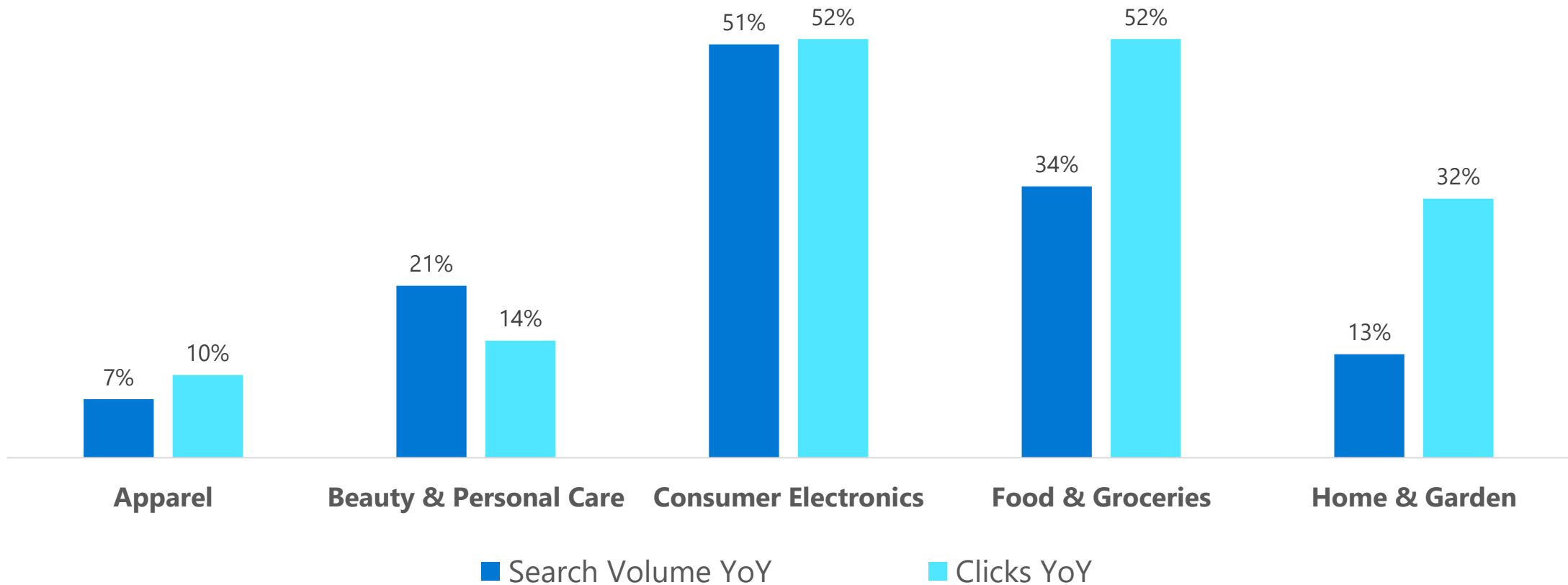


Source: Microsoft Internal Data, EMEA, Jan 2019 – Aug 2020 YoY

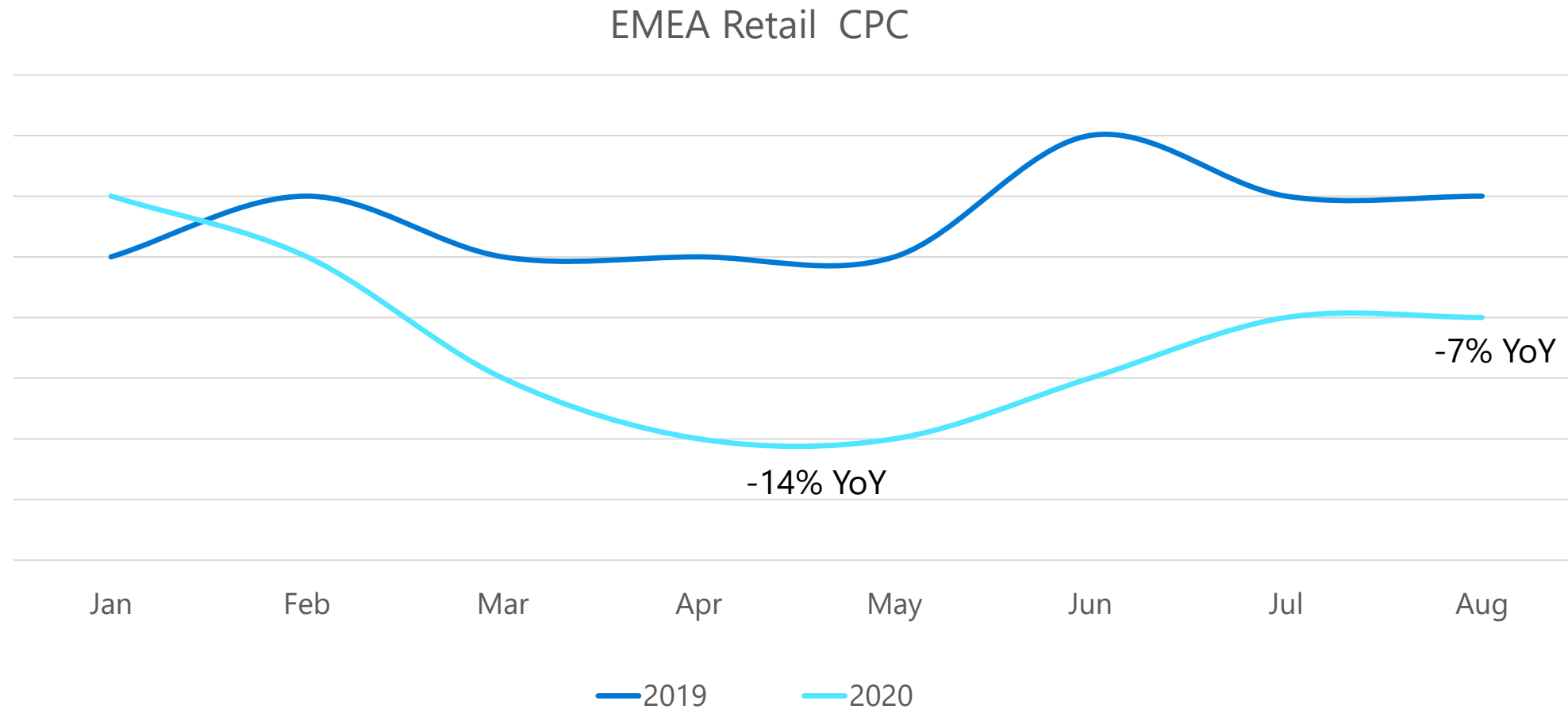


Consumer Electronics and Food & Groceries were the fastest growing categories

Spain – Retail YoY % change

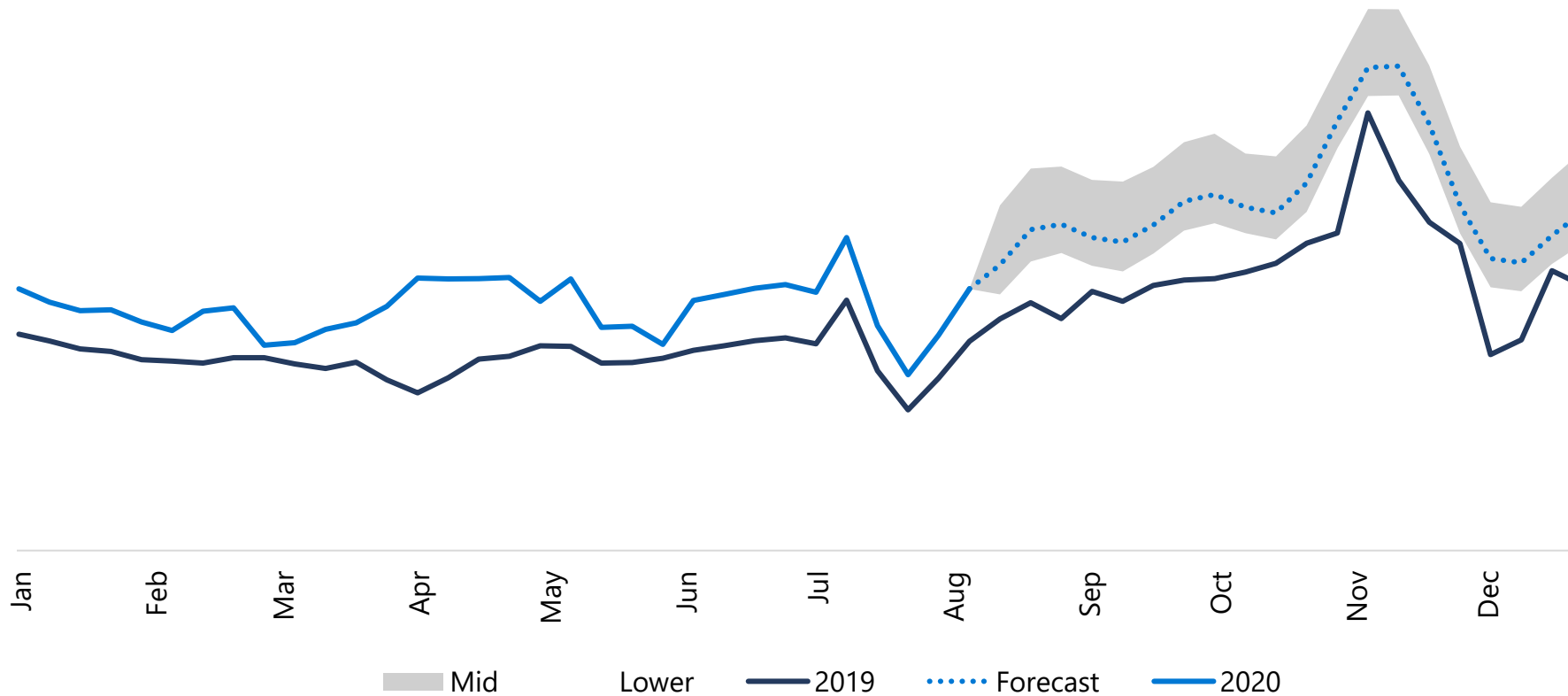


A massive opportunity as retail cost per click (CPC) stays lower than last year



And the best is yet to come... Let the Winter season begin

Retail EMEA Search Volume Forecast



23%

**EMEA Clicks YoY Growth
(2019 vs 2018)**

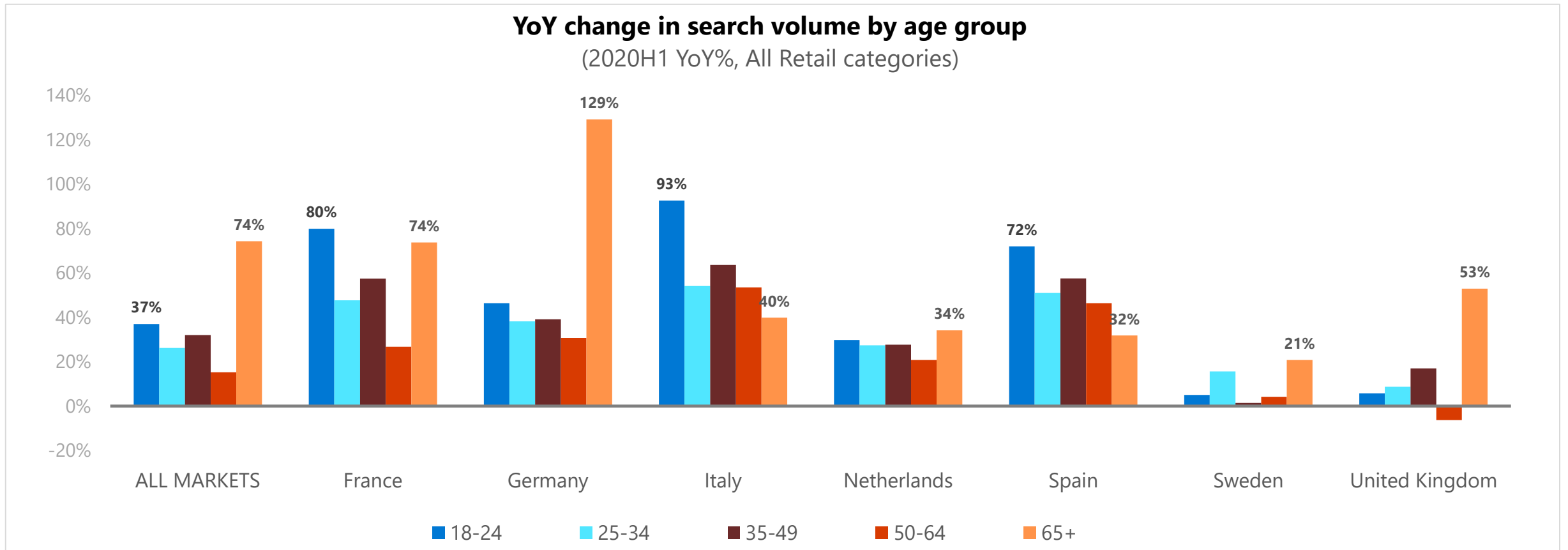
36%

**SPAIN Clicks YoY Growth
(2019 vs 2018)**

Source: Microsoft Internal Data, EMEA, Jan 2019 – August 2020 + Forecasting for H2 remainder

Increased online shopping activity from older generations

Aside few exceptions, search volume grew across all age-groups and markets. However, age group distribution is also changing with older generations (65+) with previous low/no online shopping are now increasing their activity (+74% YoY searches in the region). This is particularly true for France, Germany and the UK.





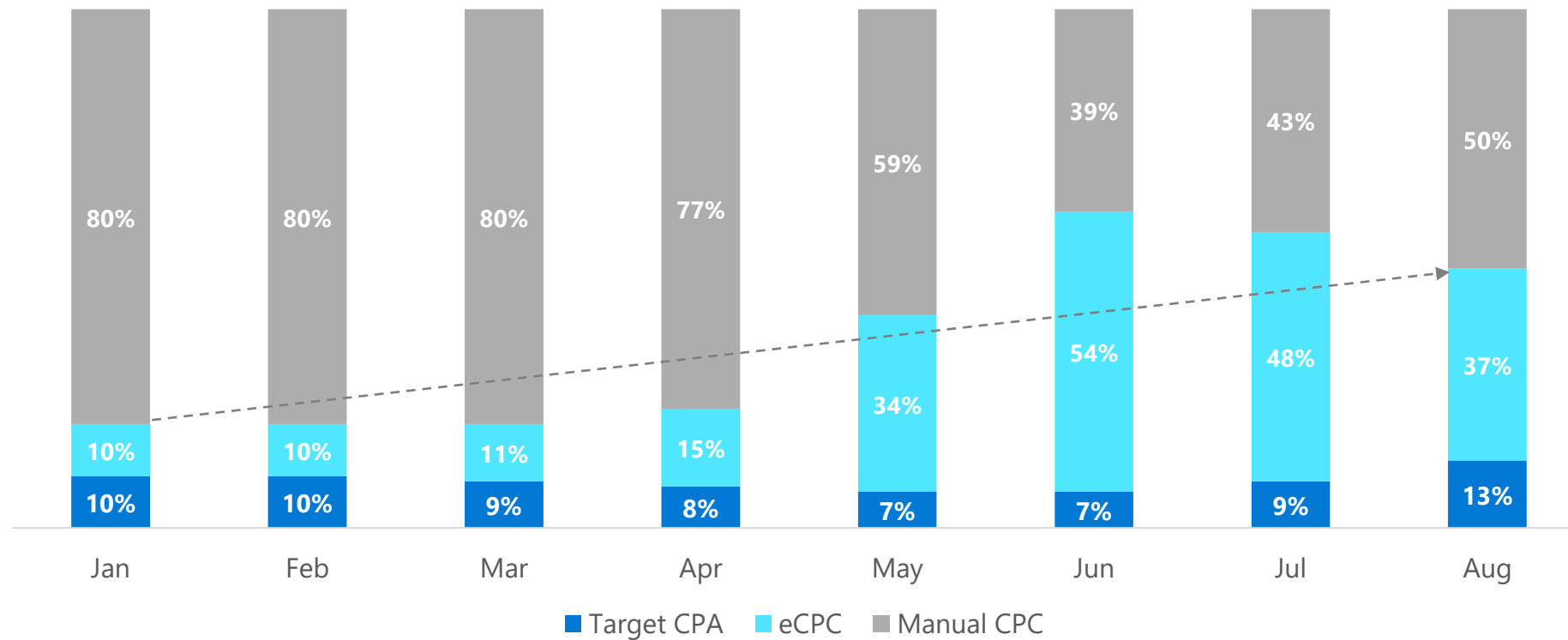
Catch the high waves

Ad Product recommendations



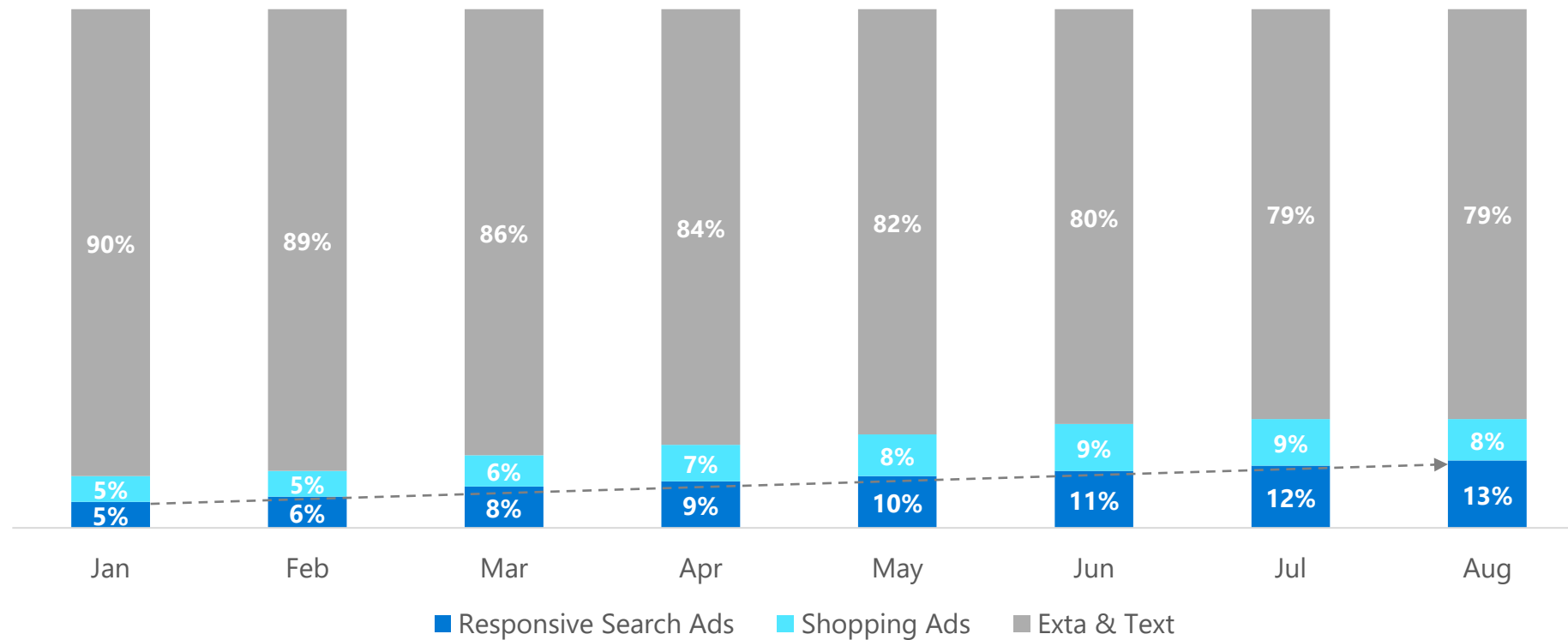
A higher % of conversions are driven by Microsoft automated bidding strategies

Retail conversions by bid strategy (EMEA)



A growing % of Retail conversions are driven by Responsive Search Ads in EMEA

Retail conversions by format (EMEA)



A higher Retail conversions rate with Remarketing in EMEA

Period : July 2020

Conversion rate (CVR) uplift with Remarketing Audiences
(EMEA, July 2020)



A higher Retail conversions rate with In-market Audiences in EMEA

Period : July 2020

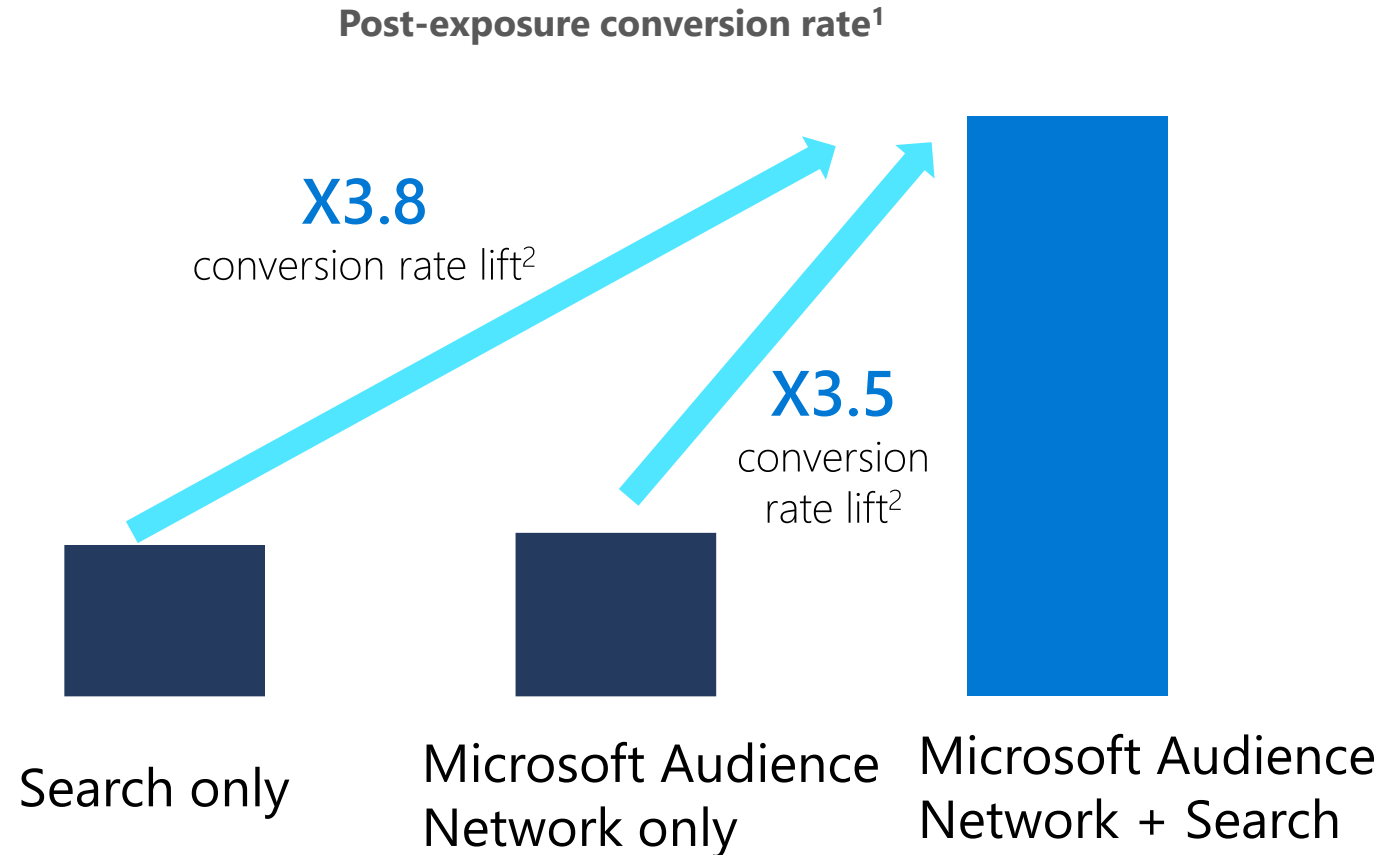
CVR uplift with In-market Audiences
(EMEA, July 2020)



Source: Microsoft Internal Data; July 2020; EMEA



Microsoft Audience Network: Users exposed to **both Microsoft Audience Network and Search** ads for Retail¹ are more likely to visit and purchase compared to users only exposed to Search



Microsoft Internal data; 3-week range per advertiser (2-weeks MSAN exposure + 1-week post-exposure activities), within 1/6/20 – 6/27/20

1. Based off performance for multiple top retailers; +10.6M study users

2. Lift represents the difference between percent of users in the treatment (exposed) vs. control (eligible, not exposed)

Why use Dynamic Search Ads (DSA)?

WHAT THE DATA SHOWS

-4.23%
CPC

Lowering cost per click (CPC)*

Dynamic search ads have a 4.23% lower CPC than ads with non-exact match type keywords

~90%

DSA impressions
from queries only
found by DSA

Discovering unique queries[^]

On average, ~90% of DSA impressions for a given DSA user are discovered from queries that were **only found by DSA**

+3.8%

incremental click
volume across all
search ad campaigns

Driving incremental click volume[^]

On average, the unique queries that DSA discovers are driving a 2.5% increase in total clicks across all search ad campaigns

*Microsoft Advertising internal data, May 2019, billable traffic, EN-US.

[^] Microsoft Internal Data, Dynamic Search Ads Click Data United States All Networks 2020-06-21 – 2020-06-22

Key takeaways



Be ready to ride the growing waves!



Defend your position and brand to expand



Leverage Ad Types and Bid Strategies to improve performance



Microsoft Advertising. Intelligent connections.