



# Retail insights to succeed in uncertain times

France  
September 2020



Retail grow online and  
customers change

# Shopping online speeds-up in France

## 2020 forecast

Retail  
non-eCommerce  
sales



Retail  
eCommerce  
sales



# Microsoft Search Network clicks grew a lot in March-July 2020 vs. 2019



+31%

Food & Groceries



+52%

Apparel & Accessories



+60%

Home & Garden



+93%

Beauty

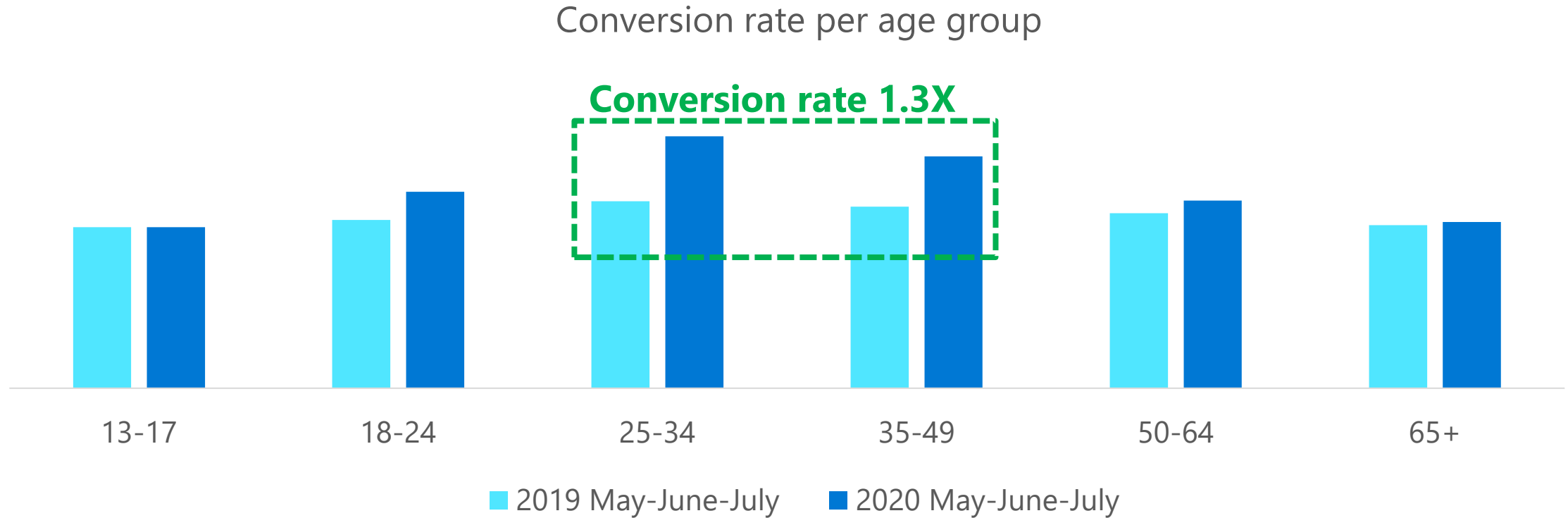


+171%

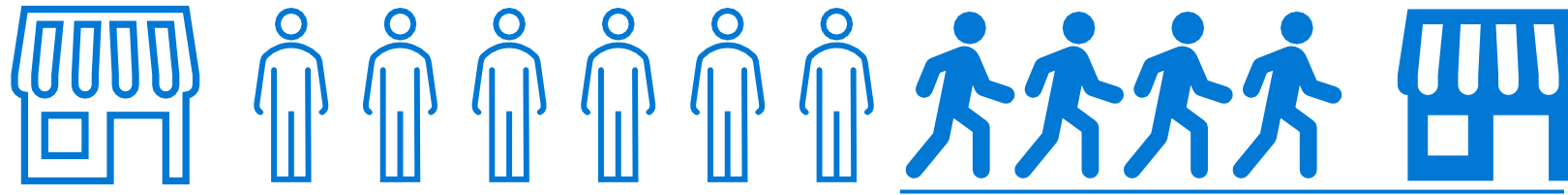
Computer & Electronics

Source: Microsoft Internal Data, march-July 2020 vs 2019

# Age groups evolved differently



# French consumers have changed



4/10

French people have  
**switched brands** or  
**retailer** <sup>(1)</sup>

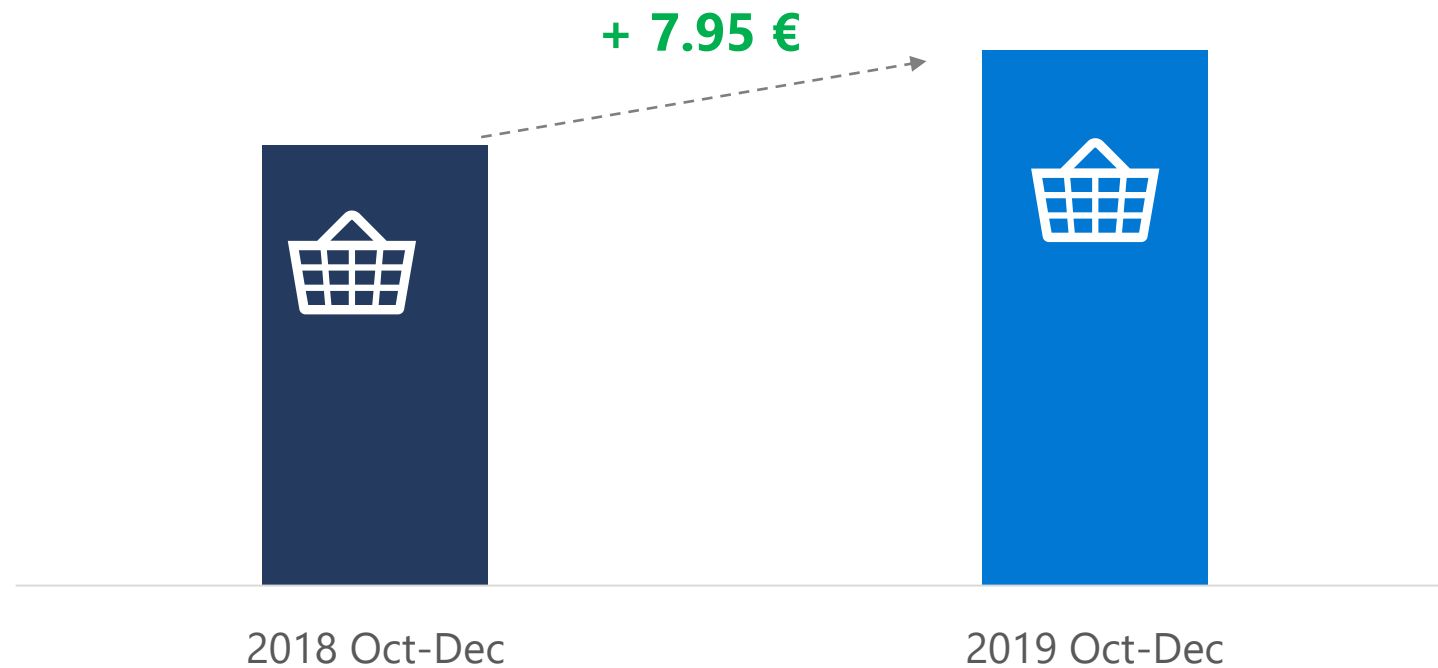
Source: Mc Kinsey - Periscopes Retail Reimagined Report Aug 2020 - <https://www.mckinsey.com/business-functions/marketing-and-sales/solutions/periscope/our-insights/surveys/reinventing-retail>

(1) 38% rounded as almost 4/10. Question: "During the last 2 months, when shopping for a specific category or product, have you switched from brands or retailers where you previously shopped?"  
512 respondents for France

# Looking back

# +7.95 € increase in the average basket for top French retail accounts

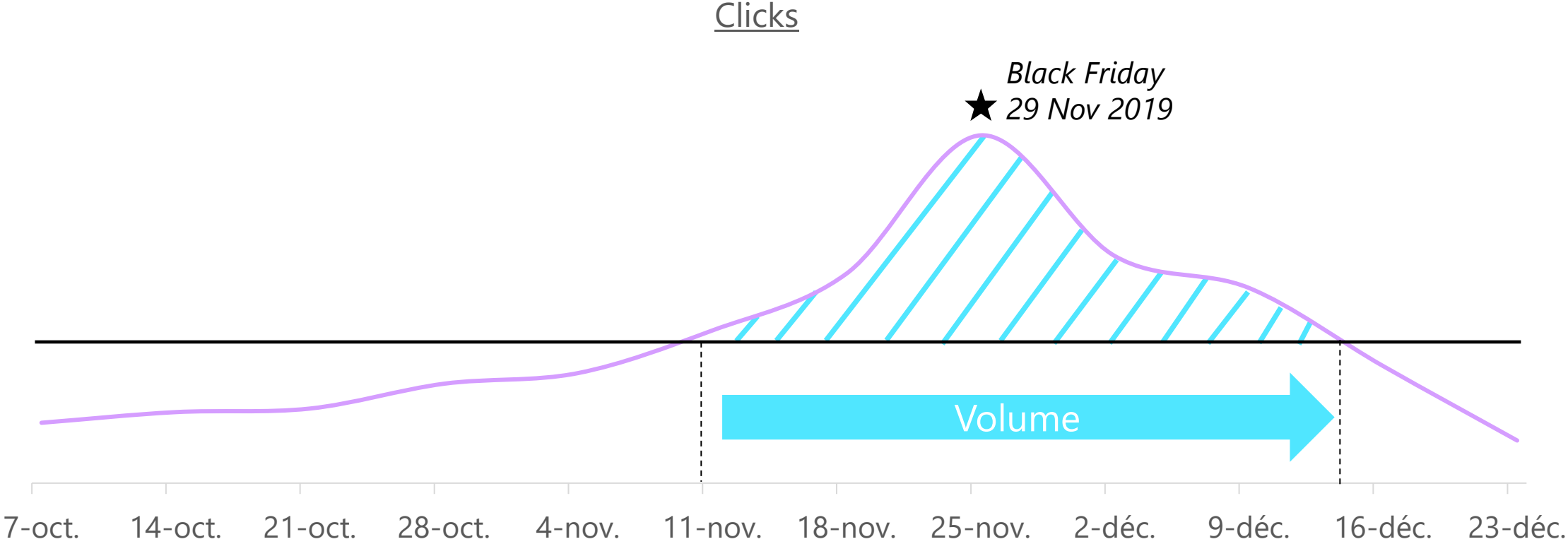
Average basket evolution  
Top 500 retail accounts on  
Microsoft Advertising Network



Source: Microsoft Internal Data, Oct-Dec 2019 vs Oct-Dec 2018; Top 500 retail accounts of the marketplace with revenue tracking. Missing data and outlier removed.



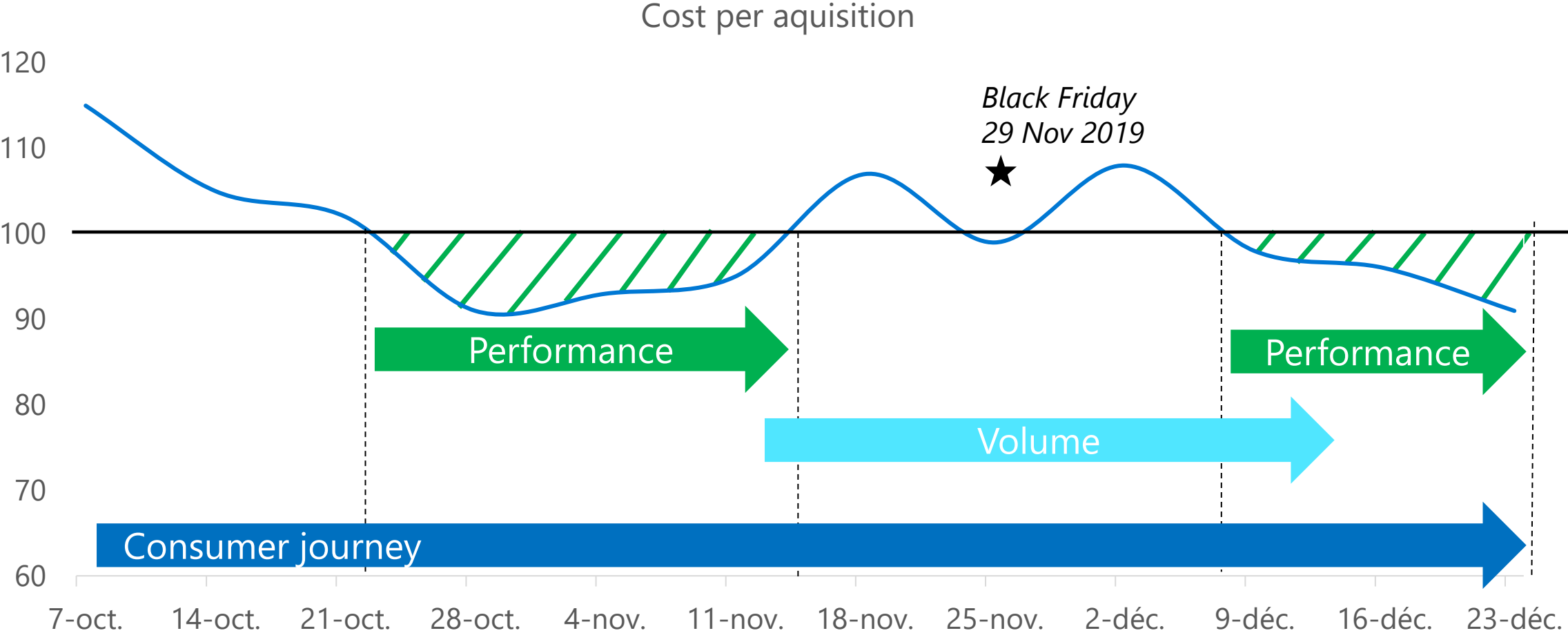
# Clicks volume peak around Black Friday



Source: Microsoft Internal Data, Oct-Dec; Top 500 retail accounts of the marketplace with conversion tracking.



# But cost per acquisition (CPA) is better before and after

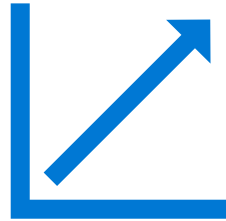


Source: Microsoft Internal Data, Oct-Dec; Top 500 retail accounts of the marketplace with conversion tracking.



# Forecast

# Click growth is forecasted in France for October-December 2020



Retail all up

**+42% year over year (YoY)**



Home & Garden  
**+56%**



Apparel & Accessories  
**+42%**



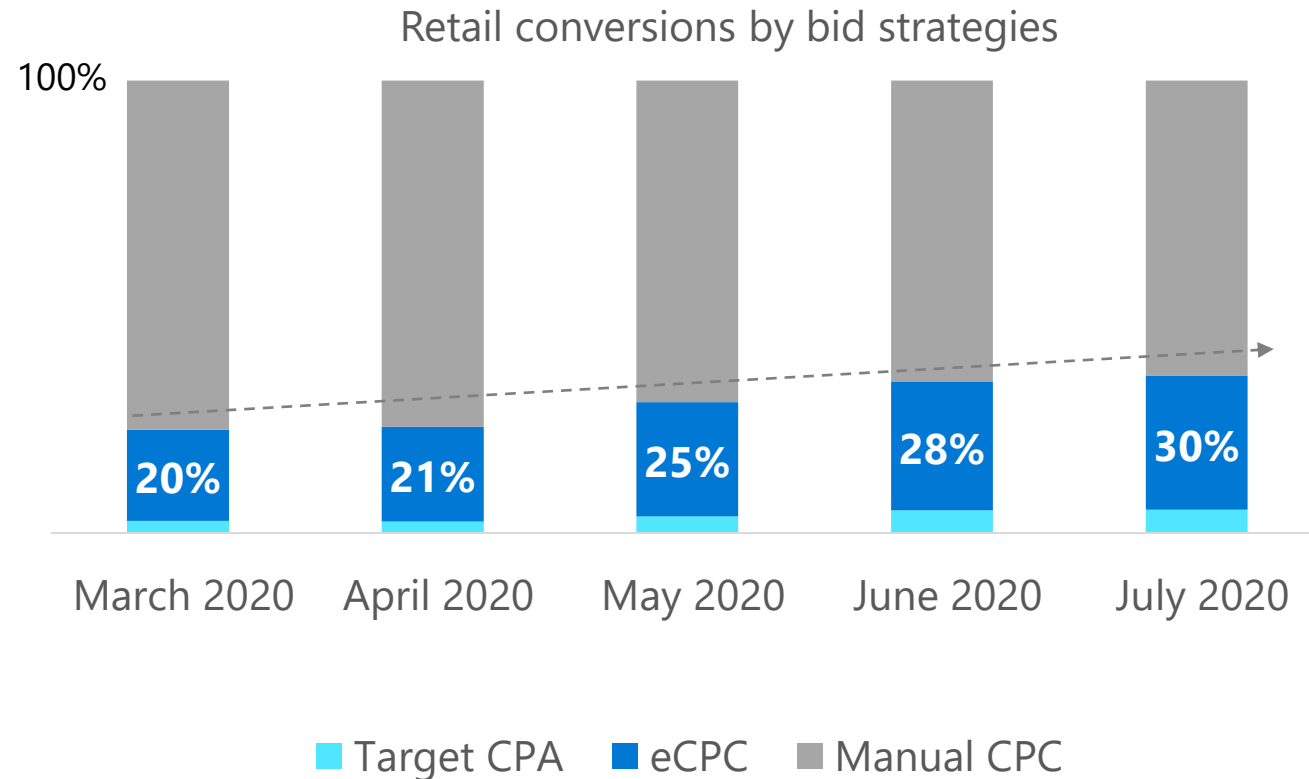
Beauty  
**+48%**



Food & Groceries  
**+23%**

# Strategies to succeed

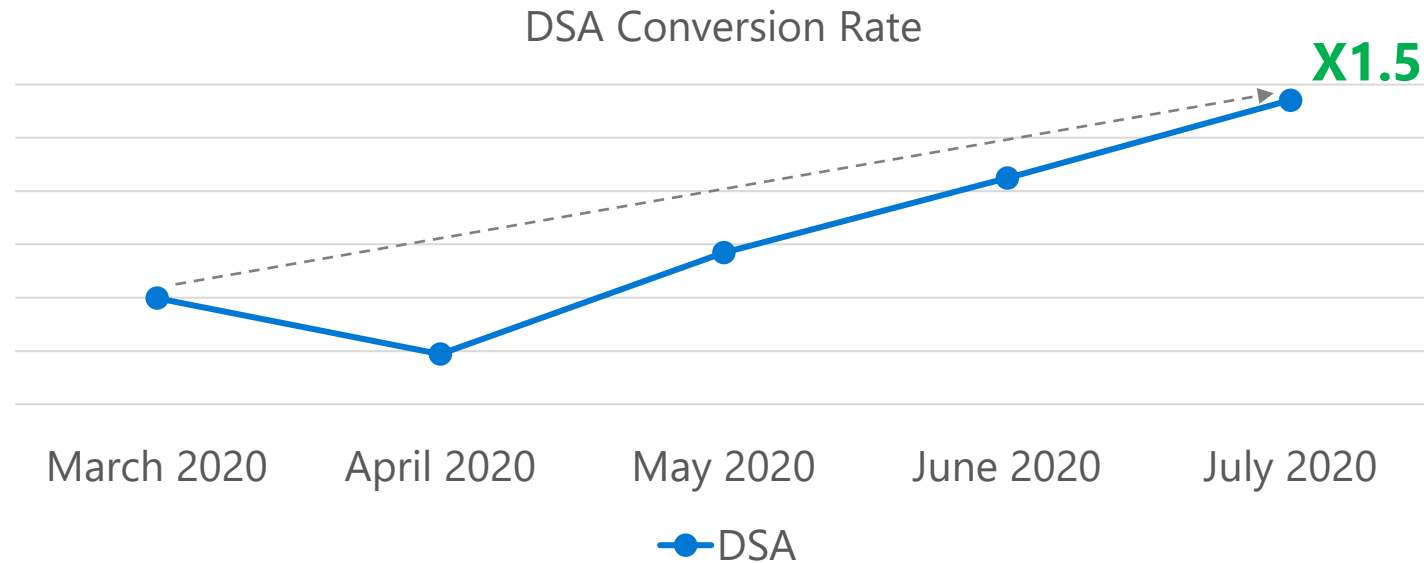
# A growing % of conversions in France are driven by Microsoft automated bidding strategies



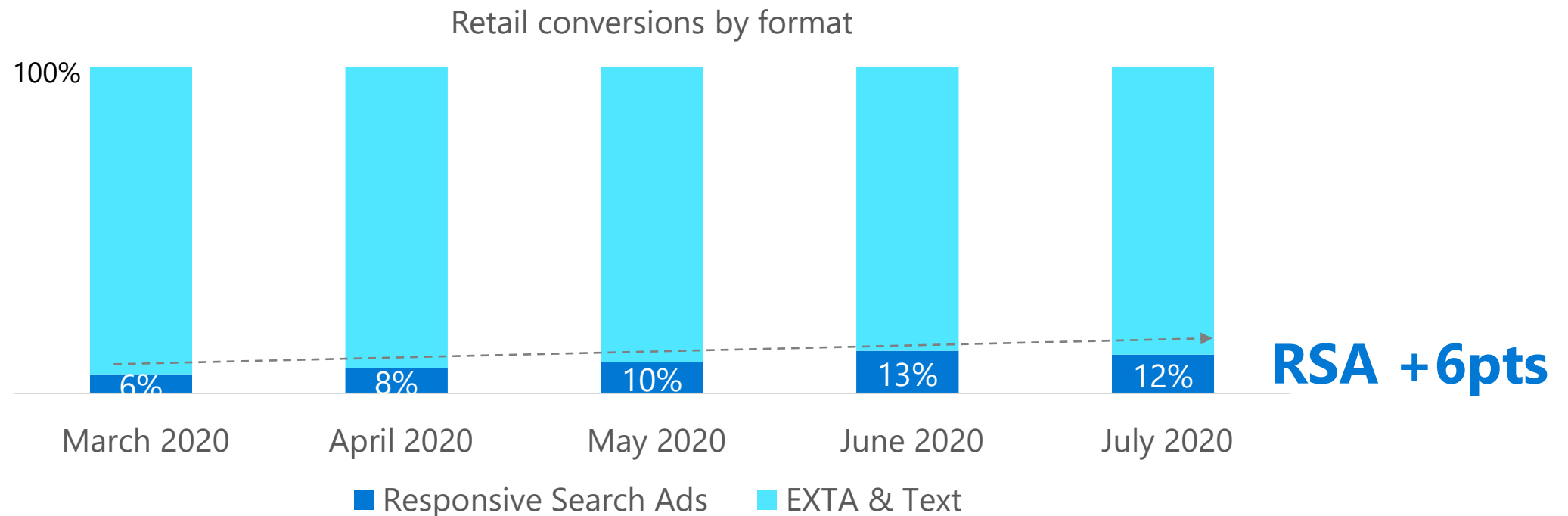
**Enhanced  
CPC (eCPC)  
+ 10pts**

# Dynamic Search Ads : a growing conversion rate

## Growing conversion rate

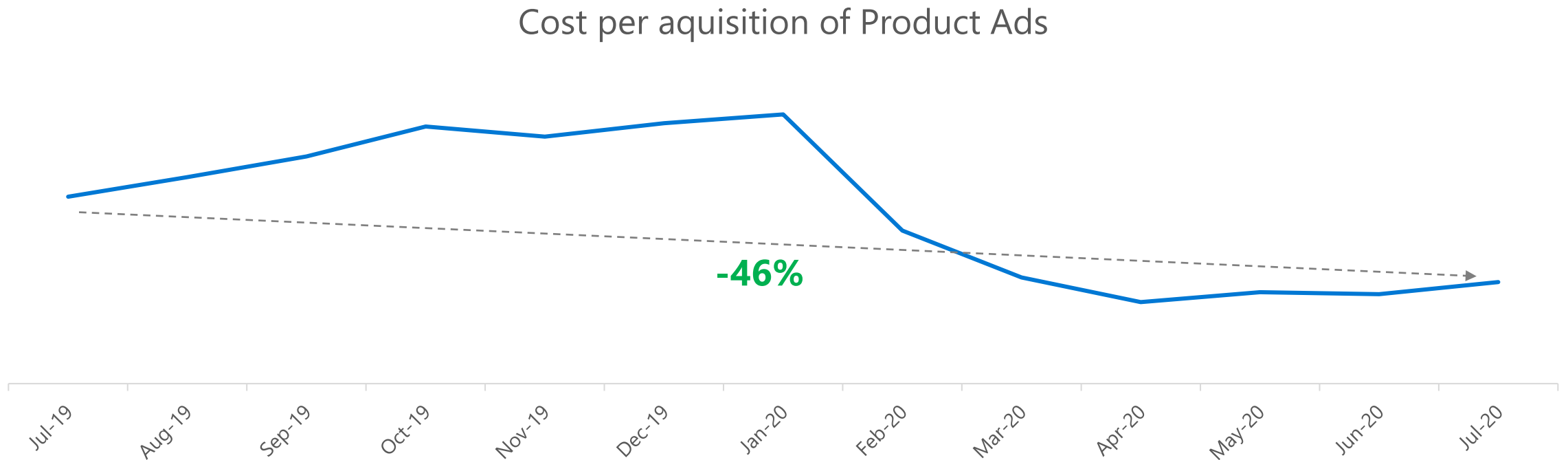


# A growing % of conversions in France are driven by Microsoft Responsive Search Ads (RSA)



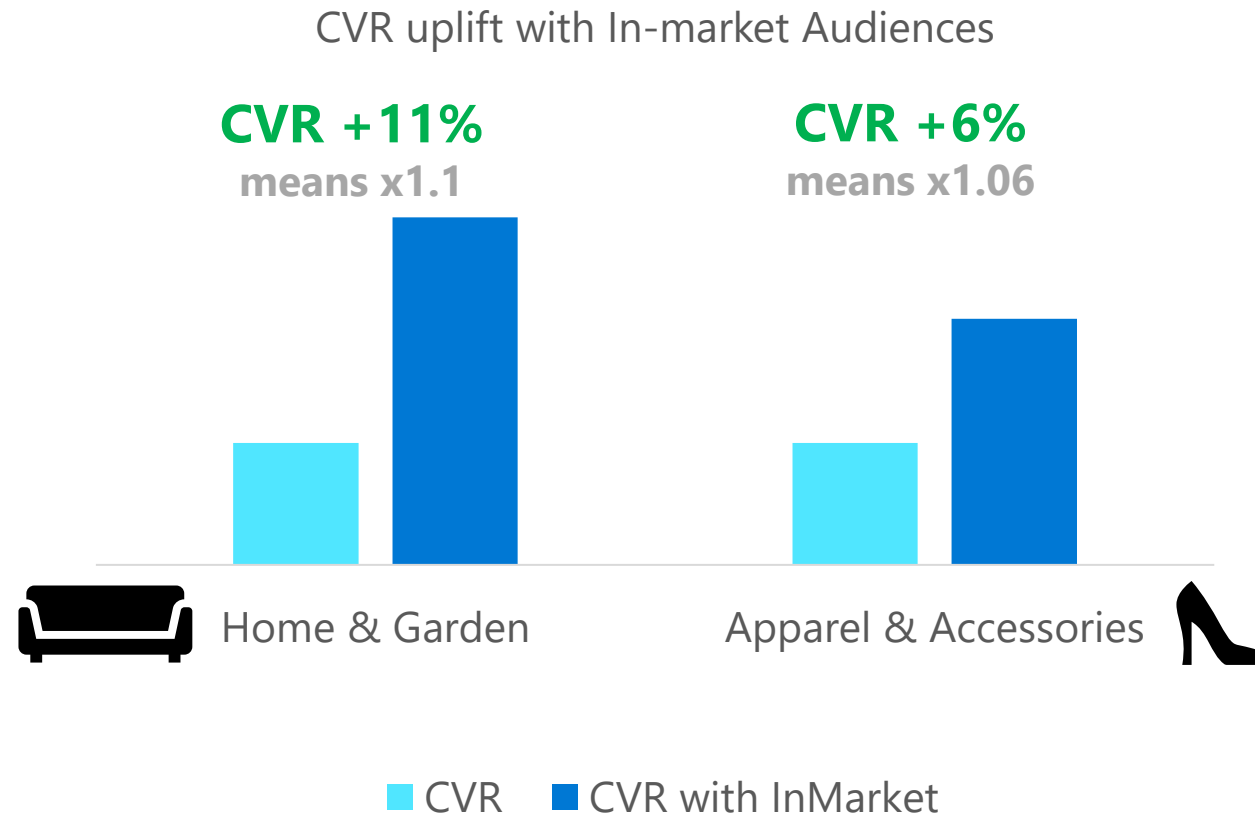


# Product Ads : cost per acquisition in France almost divided by 2 for Retail

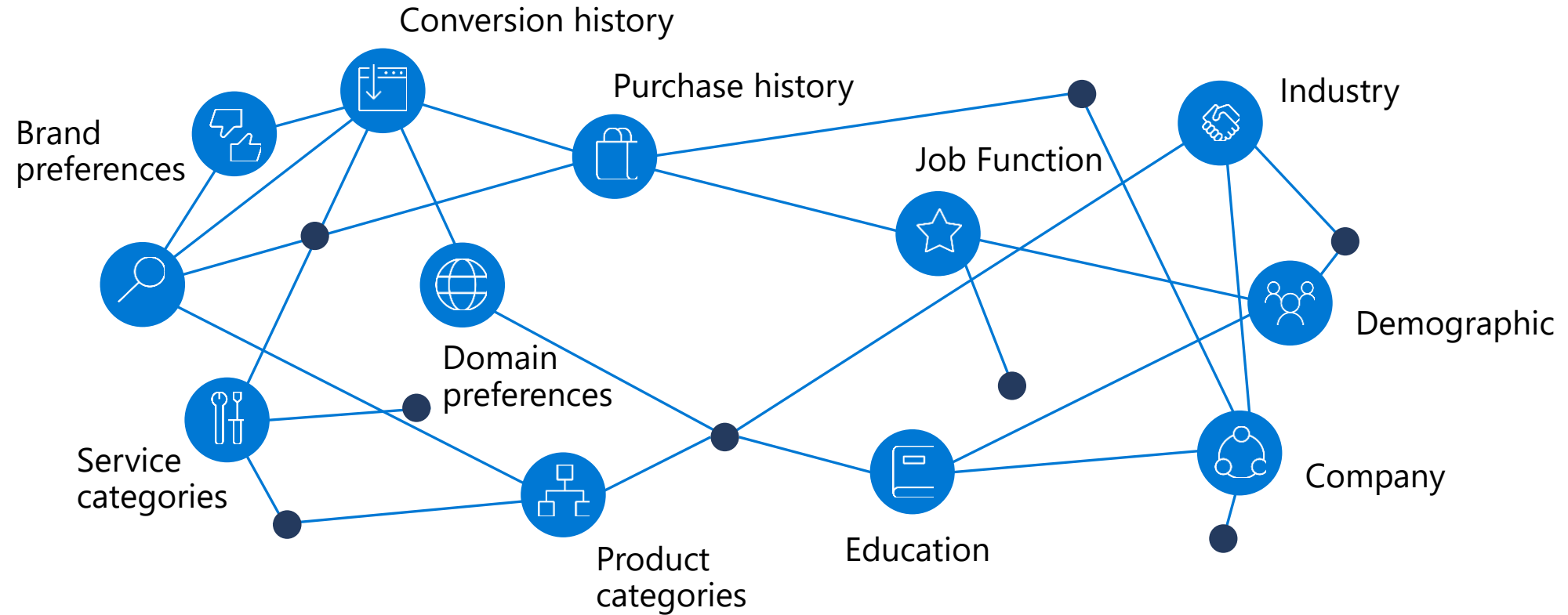


# In-market Audiences, brings better conversion rates (CVR) in France for Retail

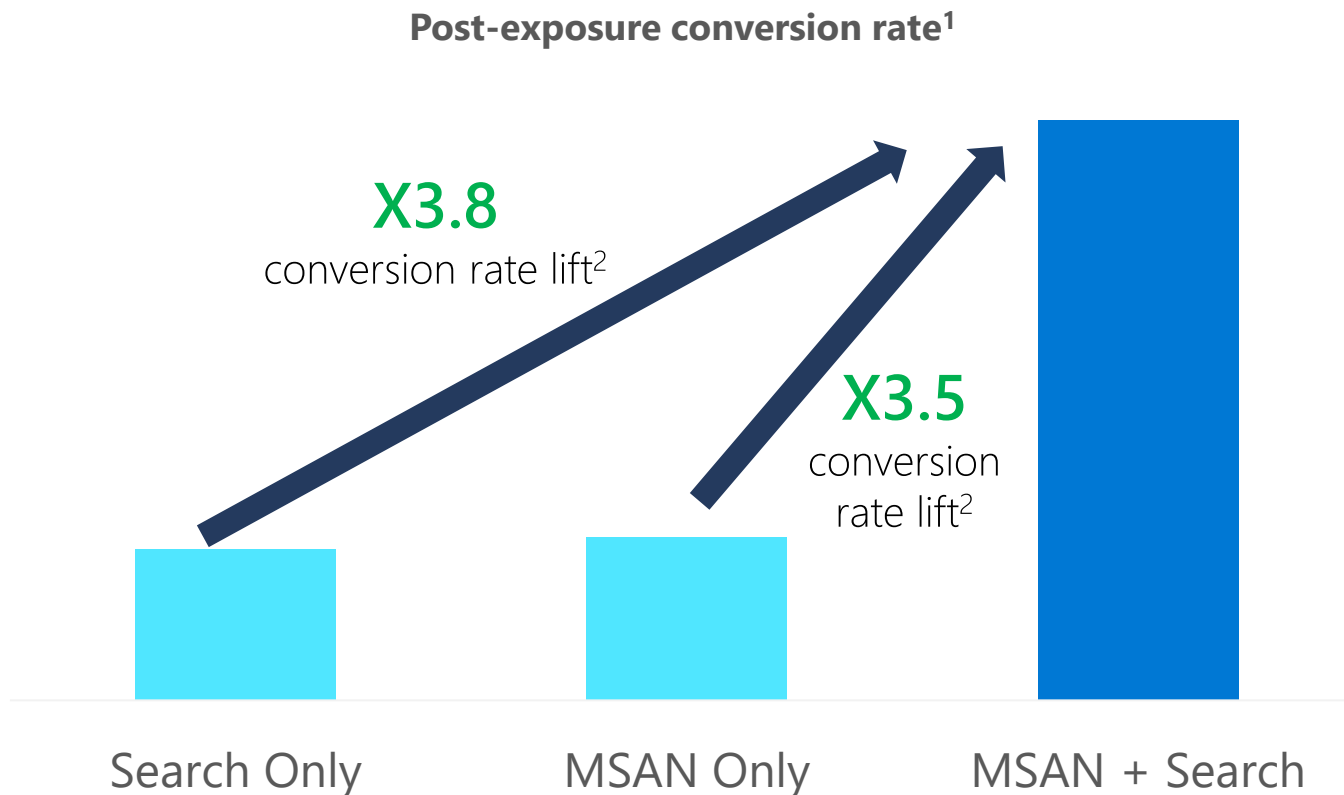
Period : June 2020



# Take advantage of our data



# Native solution Microsoft Audience Network: US users exposed to both Microsoft Audience Network and Search ads for Retail<sup>(1)</sup> are more likely to visit and purchase vs. one exposure



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)

# Key takeaways

## **GROWTH & CHANGES**

eCommerce is growing

Consumers are  
changing

## **LOOKBACK**

Start early and spread  
your budgets between  
volume and  
performance times

## **FORECAST**

+42% YoY clicks  
Oct-Dec 2020

## **AUTOMATION**

Growing performance

Microsoft has many  
network signals

Agility

## **AUDIENCE**

Performance proved

Our network to identify  
consumer intent

## **SEARCH + NATIVE**

Multiple touchpoints  
for performance

