Telco device launch: July comparison analysis

Tech & Telco
**GOAL:** Provide direction for a COVID-19 impacted holiday season using July as a proxy

**Why July?**
We are using July 2020 data in a COVID-19 era as a proxy for search behavior we may see during the holiday season this year. July is typically a higher volume month for Tech & Telco compared to June and August, which is why we believe July is statistically more significant to help guide our insights. Our guidance is dependent on the current COVID-19 and economic environments not changing significantly in the next few months.
Contents

1. Expectations and YoY* comparisons
2. Product Ads: 2020 vs. expectations
3. Query pathing: YoY changes

*YoY = year over year
Expectations and YoY comparisons
How does 2020 compare to “normal” times, or what was expected pre-COVID-19?
Smartphone searches have been trending above expected normal since the lockdowns in March

Search volume over time for 2020 compared to “normal” for smartphones

Expected data, along with the upper and lower bounds, represent the normal seasonality and its volatility bands (pre-COVID-19) since 2018 adjusted for the growth or decline in 2020. We’re using July’s typical Tech & Telco boost as a proxy for what we may see during the holidays post COVID-19.
Tablet searches grew after the onset of COVID-19 and saw YoY click and impression growth

Search volume over time for 2020 compared to “normal” for tablets

Expected data, along with the upper and lower bounds, represent the normal seasonality and its volatility bands (pre-COVID-19) since 2018 adjusted for the growth or decline in 2020. We’re using July’s typical Tech & Telco boost as a proxy for what we may see during the holidays post COVID-19.
Wearables searches have been trending above or within the expected normal range since March

Search volume over time for 2020 compared to “normal” for wearables

Expected data, along with the upper and lower bounds, represent the normal seasonality and its volatility bands (pre-COVID-19) since 2018 adjusted for the growth or decline in 2020. We’re using July’s typical Tech & Telco boost as a proxy for what we may see during the holidays post COVID-19.
Searches for carrier terms have increased since COVID-19 but may remain within the expected range during holiday.

Search volume over time for 2020 compared to “normal” for carriers.

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Product Ads: 2020 vs. expectations
How are Product Ads for smartphones, tablets, and wearables performing this year compared to years prior?
Smartphone product ads have been trending above the expected normal range in the post-COVID-19 environment.

Product Ad search volume over time for 2020 compared to “normal” for Smartphones.

Expected data, along with the upper and lower bounds, represent the normal seasonality and its volatility bands (pre-COVID-19) since 2018 adjusted for the growth or decline in 2020. We’re using July’s typical Tech-Telco boost as a proxy for what we may see during the holiday’s post COVID-19.
Tablet product ads had higher search and click volume in 2020, but higher CPCs likely due to more competition

Search volume over time for 2020 compared to “normal” for Tablets

Expected data, along with the upper and lower bounds, represent the normal seasonality and its volatility bands (pre-COVID-19) since 2018 adjusted for the growth or decline in 2020. We're using July's typical Tech-Telco boost as a proxy for what we may see during the holiday's post COVID-19.
Although interest in Wearables product ads is up (via heightened search volume/impressions), clicks are down. Product Ad search volume over time for 2020 compared to “normal” for Wearables:

- **YoY CPC change**:
  - +96%

- **YoY click growth**:
  - -35%

- **YoY impression growth**:
  - +57%

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Query pathing: YoY changes
Comparing July 2019 to July 2020
Let’s look at July YoY search behavior changes from a pre and post COVID-19 perspective using Query Path data. In 2020 we saw....

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<thead>
<tr>
<th>Hardware</th>
<th>Non-Brand</th>
<th>Carriers</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Apple Hardware queries increased 14% while Samsung queries increased 111%</td>
<td>• Non-Brand queries increased in the beginning middle &amp; ends of paths</td>
<td>• Prepaid Carrier queries increased 52%</td>
</tr>
<tr>
<td>• Other OEM Hardware queries decreased by 34%</td>
<td>• 16% YoY increase in 1st queries being non-brand, 10% growth in the middle, and 18% growth in the last queries being non-brand</td>
<td>• Postpaid Carrier queries decreased 40%.</td>
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<tr>
<td>• Samsung Hardware clicks increased the most YoY over 600% when the path started with Non-Brand</td>
<td>Conclusion: The conversion funnel is not linear. We saw an increase at each stage of the path for Non-Brand with most of that increase YoY coming at the end of the path. Final clicks for branded terms increased with paths started with Non-Brand.</td>
<td>• Prepaid Carrier clicks at the end of paths increased 30% YoY</td>
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**Conclusion:** There was a much higher interest or growth for Samsung in 2020 from the previous year. However, not as high as interest for Apple hardware which also saw a YoY increase.

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**Conclusion:** This could be due to consumers looking for lower cost options caused by the impact of COVID-19 and income uncertainties. Price sensitivity, overall cost, and no long-term contracts will be important to consumers this year when selecting a carrier.

If the post COVID-19 trend continues, the expectation for query paths related to Carriers should show an increase of queries in the Non-Brand and Prepaid Carrier query categories.
Consumers are making decisions in fewer days’ time, but the number of queries between first search and last click has not changed significantly.

Conversion length for all Telco categories: July 2019 vs. July 2020

Although the average user’s **path length in days did shorten more than 4X this year**, the number of queries between first search and last click did not change significantly.

**Advertisers may not have as much time to convert a consumer in 2020 and should consider starting investment efforts sooner** to take advantage of this pivotal year for new phones and 5G adoption.