Immediate strategy
Smart actions for today

Microsoft Advertising. Intelligent connections.

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Unprecedented times

As the world responds to the outbreak of COVID-19, our thoughts are with the people affected and the medical professionals working around the clock to help those most in need. At Microsoft, we're working to do our part by ensuring the safety of our employees, striving to protect the health and well-being of the communities in which we operate, and providing technology, tips and resources to our customers to help them do their best work while remote.

At Microsoft Advertising we are here to help you.

As consumers remain home, search has grown in increasing importance. This resource is part of The digital advertiser's guide to COVID-19, which covers immediate strategies, restoration strategies, future planning and account health, to help you continue to connect with your customers in meaningful and relevant ways.

Each of these resources are curated to help you and your business get the guidance you need no matter where what stage of the journey you are in.

We are also compiling key insights and industry trends on a weekly basis and publishing them on our COVID-19 insights and resources hub to allow you to make informed decisions for your business.

And finally, when people have a need and your brand is there to meet that need it creates a connection and builds trust. Never has that been more important than now. Consumers expect brands to step up and support them and the community in times like these. Marketing with Purpose is a framework to help you connect more authentically with your people, build trust and ultimately drive greater business value.
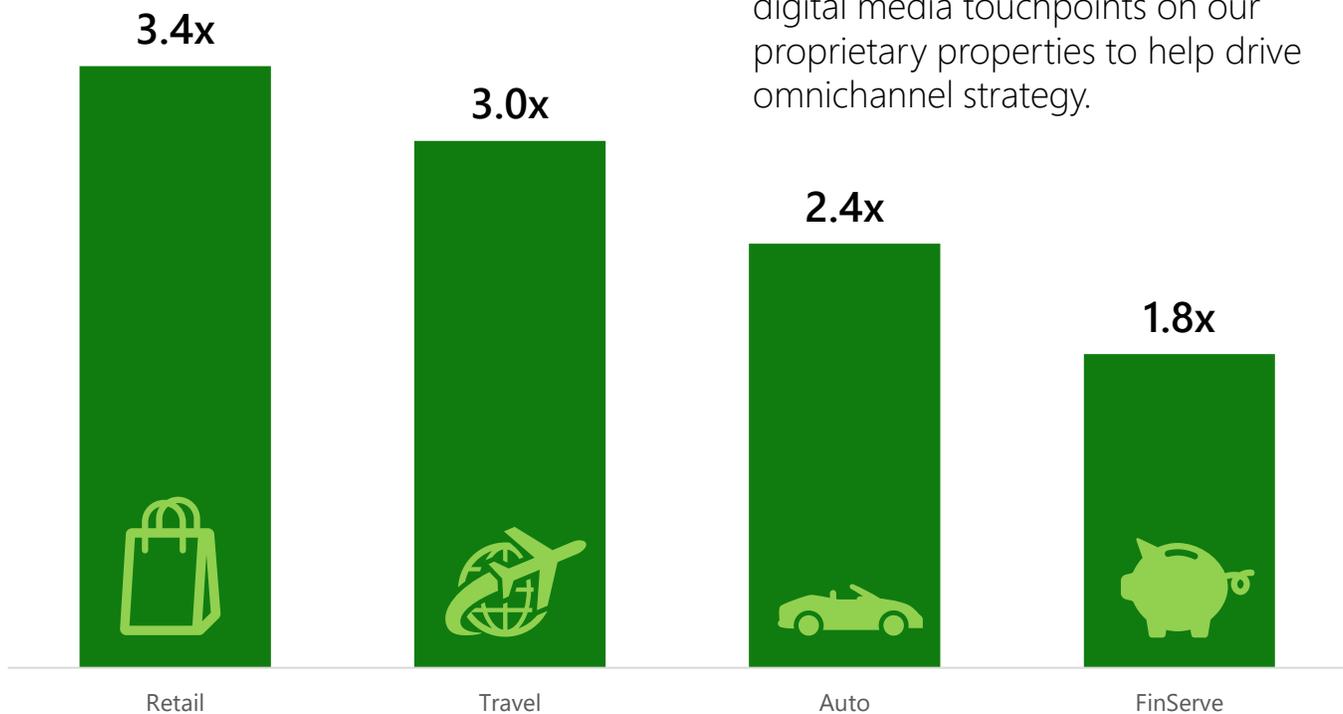
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The value of paid search

Paid search generates the greatest return on advertising spend (ROAS) across media channels, per dollar invested in the U.S.[1] Not surprisingly, for budgets impacted by COVID-19, when compared to other media channels, paid search has been impacted the least and benefited the most either retaining or receiving re-allocated budget.[2] Some may venture that paid Search is the most recession-proof tool, considering its ability to connect marketers with consumer intent.

Our multi-touch attribution study found that on average, search clicks are directly followed by a conversion **2.6x more** than clicks from other ad types, including social and video.

Advertisers are rapidly turning to more complex attribution models, away from depending on last click attribution and away from measuring media in silos.

Our multi-touch attribution study enabled Microsoft to statistically measure impact of digital media touchpoints on our proprietary properties to help drive omnichannel strategy.

3.4x　　**3.0x**　　**2.4x**　　**1.8x**

| Retail | Travel | Auto | FinServe |

1. Various Sources (Benchmarking); OAAA, 2018. 2. Advertiser Perceptions, "Coronavirus Effect on Advertising Report," March 26, 2020.

Microsoft internal data. N = 1000 users per vertical, August 2019 – January 2020, US and PC only. Analysis of paid media only. Inclusive of display, native, partner, referral (including affiliates), social, video and paid search. Publisher and platform agnostic. Multiple paid digital media click touchpoints required for analysis inclusion.
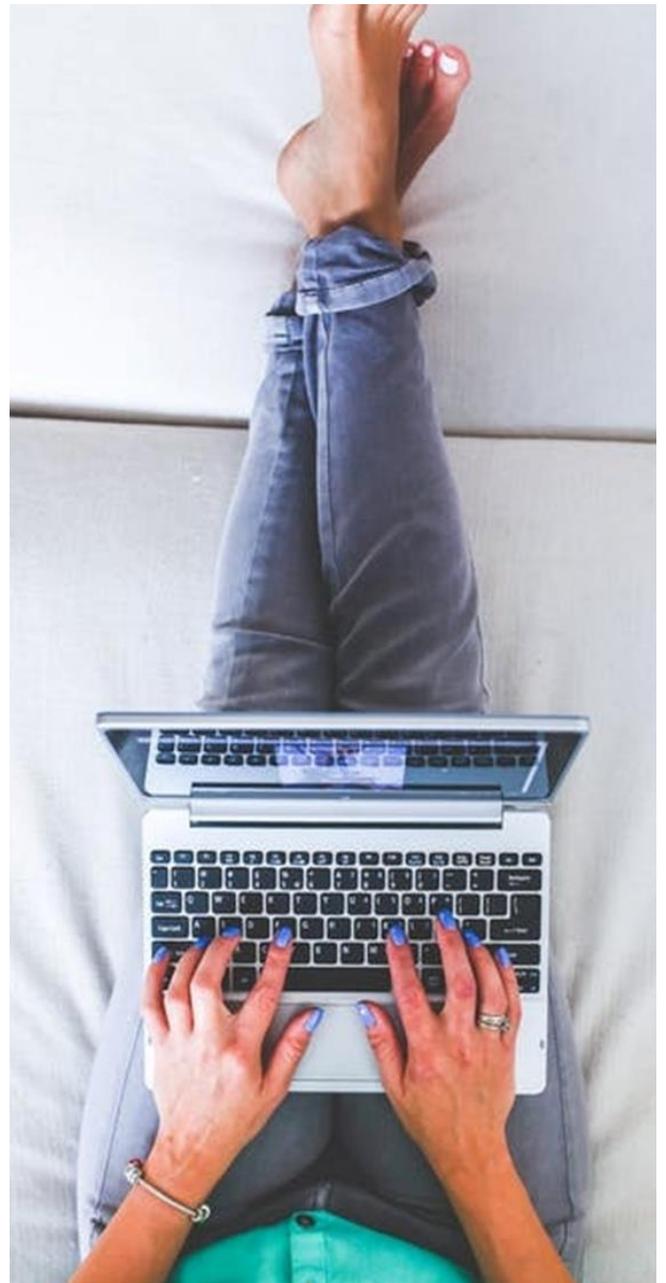
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How has consumer search behavior changed?

Working from home and other lifestyle shifts has led to **blended schedules** with the following marketplace trends COVID-19 vs. Pre-COVID-19[1]:

Desktop & Tablet Volume Share continues to grow respectively at 8% and 18% on average.

Weekend Volume grew significantly compared to Weekday Traffic by 12%.

Nighttime Volume2 (9pm-4am) increased by ~15% compared to volume for all other hours of the day.

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Table of contents

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Modify messaging

Check your ad copy and creative for your search and native campaigns

Be thoughtful with your message and images. It's a stressful time for everyone, so ensure your creative addresses the current situation and take care to avoid overwhelming your customers. Land your message in a positive way using creative that best represents your brand and values.

- **Make sure your message aligns with the current situation.**
  - Is your ad still relevant?
  - Do you have one product you should focus on over another?
  - Can you be more empathetic toward those affected by the coronavirus?

- **What can you change to make your ad work better with the current situation?**
  Highlight:
  - Empathy: Many are adjusting to new situations (working from home, no childcare).
  - Offerings: Fast and/or free shipping, waived fees, delivery service.
  - Opportunity: Donate to a coronavirus-related cause.

- **Swap out your images.**
  - Make sure your images match any new ad copy.
  - Use images to make your message relatable.
    - For example, if you sell laptops, consider swapping the image from a person working in an office to a person working from home.

If your company is doing something to help, highlight it!

Many companies are responding to the coronavirus with wonderful examples of putting customers and people first. Don't let your good initiatives go unnoticed. Highlight the positive actions your business is taking to help during this time.

Examples:
- Tech and telecom companies waiving data limits and fees.
- Businesses donating profits and offering unprecedented sales/discounts.
- Food service companies waiving fees.
- Travel companies removing barriers to change or cancel, etc.
- Special shopping hours for at-risk population
- Special delivery and pick-up options

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Strike balance between automation and manual checks

Things are moving quickly — from the marketplace to the economy to consumer behavior.

With a dynamically changing environment, it's critical to use automation tools while simultaneously applying a human eye to monitor performance and variance to modify as appropriate. As consumers spend more time at home, they're spending more time searching on PCs. With 37% of the U.S. PC market share,[1] Microsoft Advertising offers advertisers a valuable opportunity to reach audiences.

Don't set it and forget it. Your human eyes matter!

Your settings aren't fully optimized for a quickly shifting environment and behavior. Schedule regular manual checks.

Automation can help with:

- **Consistency during this time with staffing fluctuations.** For example, layoffs, sick leave, time off for family care. Ensure your business and marketing goals are on track within your campaign budgets with platform automation and tools.

- **Relevant ad copy to meet the shift in consumer behavior.** Suggestion: Instead of manually testing new headlines and descriptions with your changing messaging strategies (like delivery options), implementing Responsive Search Ads will enable Microsoft Advertising to analyze and automatically optimize.

- **Optimization management.** Suggestion: To keep up with emerging queries relevant to your business or best position bids, apply the artificial intelligence (AI)-driven recommendations in the user interface with a click of a button.

1. comScore qSearch, Explicit Core Search (custom), U.S., December 2019. The Microsoft Search Network includes Microsoft sites, Yahoo sites (searches powered by Bing) and AOL sites in the United States. Data represents desktop traffic only.

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Automated bidding strategies help adjust to the new normal

It is not recommended to switch to manual bidding.

Utilizing automated bidding will help you stay on top of the dynamic marketplace during these times. If you are using manual bidding, it is best to switch to automated sooner rather than later. If your business is experiencing volatilities when using automated bidding strategies, we suggest adopting Enhanced CPC to continue to improve performance.
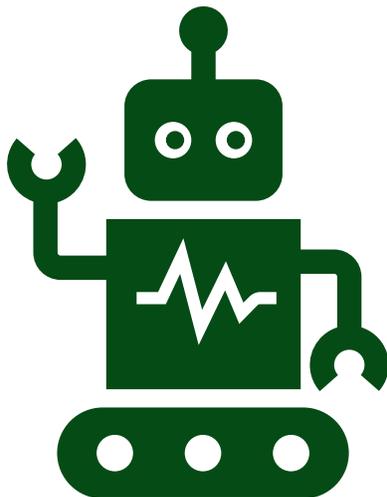
Automation is key towards navigating bid and budget landscape

- **Conversion based bid strategies:**
  - Continue to monitor that the campaigns are meeting the minimum conversion criteria (delivery status in UI). If they are not (due to volume drop for example) the bid optimization will stop, and the recommendation is to switch out to Enhanced CPC bidding.
  - For Target CPA, identify and make changes to account for any changes in conversion rate/ conversion volume changes.
- **Enhanced CPC (ECPC) for better ROI.** ECPC layered on top of automated bidding should help mitigate for volatilities.
- **Optimize for campaign goals.** Keep campaign goals up to date and enable auto-bidding features to do the intensive optimization work for you.

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Shift your approach: Products and your audience

Highlight products that align with the current situation

- Now is the time to reevaluate the products you're advertising.

- While you might think you don't need to advertise products with higher demand, customers may not be able to find you in a sea of "educational toys for children" ads with the demand surge as children participate in distance learning at home.

Continue to engage with your current audience, considering new ways to connect

- Think bigger than just selling your services to connect with your audience.

- Can you offer helpful tips during this time? Do you have a blog or newsletter you can promote to keep in touch while business is slower?

Capture a shifting audience

- With stores closing, manufacturers producing different products, and business looking for new ideas to keep running, it might feel like it's hard to know who your audience is today.

- Keep an eye on your industry — do you have a competitor switching up their services? Look for those gaps in the market where you can pull in new customers.

- Are you creating new products? Talk with us about your strategy and let us help you find a new audience.

- With a shifting audience, test and learn with the Microsoft Audience Network and our Audience Network Planner.

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What to do today: Ad extensions

Review and update your ad extensions

Be agile by pivoting messaging quickly to connect with consumer needs right now. Use pull mechanisms to get consumers closer to their wants:

Action Extensions
- **Suggestions:** Buy Now, Order Now, Contact Us, Donate, Download, Email Now, Free Trial, Play Game, Play Now, Save Now, Shop Now, Start Now, Try Now, Watch, Watch Now.

Sitelink Extensions
- **Suggestions:** Use a clear call to action, like Action Extensions. Focus on actions to catch consumers' attention by providing an immediate benefit, for example curbside pickup, product safety.

Call Extensions
- **Suggestions:** Offer a direct line to your business/offering in the ad, so consumers can quickly reach your business for their needs.

Multi-Image Extensions
- **Suggestions: 1.** Showcase top products using images, as traffic is now online with stores closed. **2.** If you sell laptops, use images with a person working from home, instead of working in the office. **NOTE:** Images from your search campaign library can be used to serve ads on the Microsoft Audience Network and reach your audience in new places.

Price Extensions
- **Suggestions:** Use Price Extensions to show availability of products wanted by the consumers for an immediate purchase.

Video Extensions
- **Suggestions:** Align messaging between your offline and online marketing campaigns by using the same TV ads online.

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What to do today: Audience targeting

Ad customizers and IF functions can help land effective messages for your audience

Suggestions: If your customer has used a food delivery service in the past six months, then insert "free delivery" into the ad copy. Or insert products in the copy based on inventory availability in different geographies.

If you use Custom Audiences:

Consider building new lists or leveraging different lists than you've been using.

- Longest tenure of Customer Lifetime Value.
- Most recent purchasers.
- Cancelled subscriptions or those who didn't convert for later.

Take your Shopping Campaigns to the next level with Product Audiences

Over just a few short weeks, the world has shifted from brick and mortar to online for almost everything. Product Audiences may be able to help you make up for the shift. And if you already have a shopping feed, you can extend your search campaign into native for more volume with the Microsoft Audience Network — no additional assets needed.

100% CVR

Ads shown to Product Audiences saw up to a 100% greater conversion rate (CVR) than the same ads shown to non-audience targeted users for the same Shopping Campaigns.[1]

40% CPA

Ads shown to Product Audiences saw up to a 40% lower cost per acquisition (CPA) than the same ads shown to non-audience targeted users for the same Shopping Campaigns.[1]

1. Microsoft internal data, early pilot data on Bing U.S. PC and tablet, April 2019.

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What to do today: Remarketing

User recency

User recency is one of the most useful remarketing signals there is, especially right now. Ensure you have Remarketing audiences created for 1, 3, 7, 14 and 30 days to capture all those users who are still visiting your site and may still be looking to purchase.

Create brand-focused conversion goals

Sales are down for many at this time. Search is often considered an acquisition-based channel, but consider creating more brand-focused conversion goals to focus on right now, both in search and native.

- Can you drive more people to sign up for your newsletter, or focus on driving awareness of a specific product you sell that people may not be aware of (creating a conversion goal for visitors of a specific product page)? Think about the long term and how these goals outside of acquisition may impact sales once the environment stabilizes. For example, newsletter sign-ups can help you reach users sharing future deals even if they're not actively browsing your website.

Target your brand-focused campaign acquisition list later

Connect your brand-focused conversion goals with matching audiences.
And create a longer-term plan to retarget these people later for the bigger purchase or lead event.

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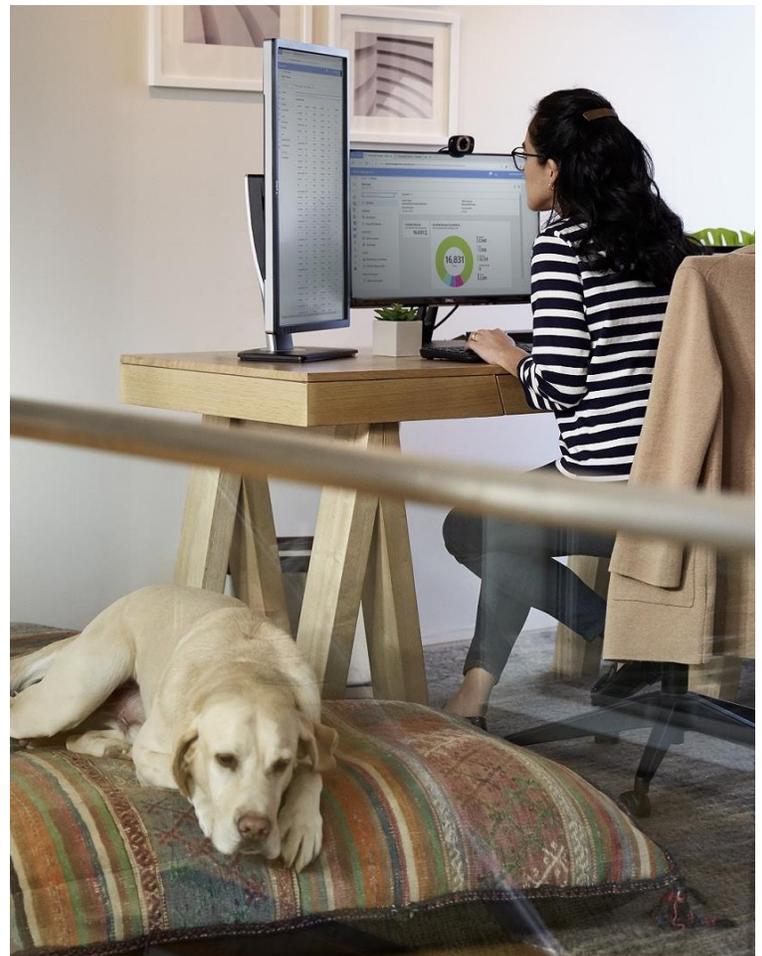
What to do today: In-market Audiences

Consider the following areas where you can target customers using In-market Audiences

Vertical: Education/online education

- /Education
- /Education/Primary & Secondary Schools (K-12)
- /Education/Test Preparation & Tutoring

Vertical: Retail – /Baby & Children's Products

- /Childcare & Education/Early Childhood Education
- /Childcare & Education/Childcare
- /Childcare & Education/Early Childhood Education
- /Diapers & Baby Hygiene Products
- /Infant & Toddler Feeding/Infant Feeding Supplies
- /Baby & Children's Products/Strollers & Baby Carriages
- /Baby & Children's Products/Toys & Games

Vertical: Retail – /Hobbies & Leisure

- /Pets & Animals/Pet Food & Supplies
- /Pets & Animals/Pet Food & Supplies/Pet Food & Treats
- /Toys & Games
- /Toys & Games/Games/Online Games & Puzzles

Vertical: Business – /Business services

- /Business Technology
- Business Technology/Business & Productivity Software/ E-Commerce & Retail Software
- /Business Technology/Enterprise Software/Collaboration & Conferencing Tools
- /Business Technology/Enterprise Software/Helpdesk & Customer Support Solutions
- /Business Services/Office Supplies
- /Business Services/Office Supplies/Office Furniture

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What to do today: Microsoft Audience Network

Everyone is glued to the news — get in front of customers where they are

With people around the world focused on the news, make sure you're getting in front of those customers. Native is a way to drive positive and informative messaging during this news cycle, with a mix of text and imagery. Use the Microsoft Audience Network to show your ads on news sites like MSN, Reuters and Fox Business. We've taken every precaution to ensure your ads don't appear next to undesirable content across our network.
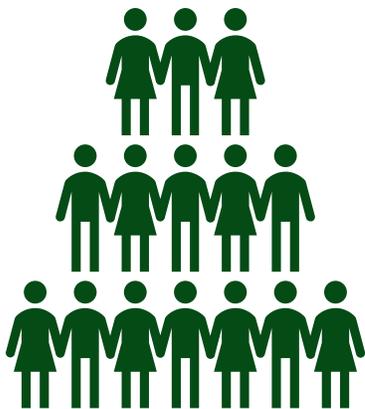
Things to consider:

❑ Update your creative and copy to ensure they reflect the new messaging you want to land showing empathy and care for your customers.

❑ Assess opportunities and projections with our Audience Network Planner.

❑ Update your view-through conversion window to 30-60 days to fully measure the impact of your campaign and better understand customer interactions with your ad.

❑ With users working remotely, awareness is key. Readjust your audience targeting as there might be an opportunity to reach a broader audience.

❑ To maximize volume, adjust your bid and budget, via our bid landscape tool at the ad group level.

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Checklist: Ads

❑ Check the extensions you're using. Use "delivery, curbside pickup, other services" that are unique and applicable to your business.

❑ Shopping: Adjust product group bidding strategy to align with your inventory dynamics.

❑ Shopping: Keep your product feed files up to date as product inventory and prices may change rapidly.

❑ Automatically test different messaging by adding Responsive Search Ads (RSA) to your ad groups. Add assets with "delivery options."

❑ Check your editorial rejections as COVID-19-related terms are disallowed.

❑ Check your text ads. Replace any standard text ads with Expanded Text Ads and RSA (standard text ad volume will begin to decline April 1).

❑ Search partners: Review publisher reports to optimize performance on the search partner network.

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Checklist: Keywords

❑ Use "Broadience" (broad match + audience targeting) to help you efficiently expand reach and identify new opportunities.

❑ Add keywords with terms around delivery, curbside pickup, fees waived, etc. as fit for your business (note "COVID-19" terms are restricted).

❑ Review your search term reports for emerging queries to add as keywords or add negatives to avoid poor performance.

❑ To capture emerging queries, create or reactivate Dynamic Search Ads (DSA) as a "catchall" with a lower bid and use discoverability tools like Microsoft Advertising Intelligence and Keyword Planner.

❑ Revamp your branded strategy and consider broad match on your core brand terms to cover highly relevant emerging queries.

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Checklist: Audience

❑ Create Remarketing lists with more recent frequencies (ex: 1, 3,7, 14, 30 days) to target customers still looking to purchase.

❑ Use In-market Audiences to target customers who are in-market for your product (especially for areas of opportunity for you).

❑ If you're using Shopping Campaigns, make sure you have Product Audiences (dynamic remarketing) set up to help increase performance.

❑ Optimize your Audience Ads campaign and reach people where they are today while navigating the web and news sites at home.

❑ Add images to your search campaign, so your ads can serve on the Microsoft Audience Network and get in front of more potential customers.

❑ Refine targeting settings to reflect consumer trends for your business around geographies, time of day, etc. Use the Bing COVID-19 Tracker to help.

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Checklist: Bidding & Budget

❑ Balance between using automation and manual reviews. Monitor auto-bidding, but keep a close eye to adapt to a fluctuating marketplace.

❑ Monitor SOV/click share and adjust bids, especially where you see opportunities with less competition in the marketplace during this time.

❑ Review your smart targets, adjusting as needed if your targets shift (ex: target conversion rates). Layer Enhanced CPC on top of manual bids.

❑ Check accuracy of online conversion tracking to properly account for increased online purchasing demand. Recommended to implement Universal Event Tracking (UET) on your site.

❑ Check budgets in the Microsoft Advertising Interface daily. Watch for budget pause notifications, which may not show up in bid management tools.

❑ Reallocate budget to your best-performing campaigns and products as performance fluctuates with emerging trends.

❑ Keep campaigns running at a lower CPCs and lower budget to capitalize on decreased marketplace competition, instead of pausing campaigns.

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Resources

Microsoft Advertising

COVID-19 insights and resources for advertisers
As consumers remain home, search has grown in increasing importance. Our goal is to provide you with regularly updated insights and trends to allow you to make informed decisions for your business.

Microsoft Advertising blog
A comprehensive range of blogs that discuss issues relevant to advertising, search and our solutions.

Marketing with Purpose
Trust, loyalty and love create a sweet spot for purchase consideration. Learn how you can drive business results by making people feel seen and respected through inclusive marketing and purposeful personalization.

To learn more about Microsoft Advertising, please visit www.microsoft.com/advertising

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Microsoft's response to COVID-19
At Microsoft, we're working to do our part by ensuring the safety of our employees, striving to protect the health and well-being of the communities in which we operate, and providing technology, tips and resources to our customers to help them do their best work while remote.

Microsoft's Small and Medium Business COVID-19 Resource Center
Practical guidance for keeping your business up and running and getting the most out of your Microsoft technology investments.

LinkedIn COVID-19 business resource center
As businesses of all sizes grapple with the same key questions in the wake of COVID-19, the purpose of this community is to bring people together to share what they're learning and how they're managing through change during this time.

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