Festive Season Shopping Insights 2017
Australia
Agenda

Seasonality

Search trends

Next steps
Australian retailers make 60% of their profits in the 6 weeks leading up to 15th January.

SOURCE
Boxing Day is still king of holiday shopping season

However sales days such as Black Friday are slowly gaining a foothold

+7%

Year on year (YoY) increase in Black Friday instore sales in Australia

$2.3B

Estimated Boxing Day sales in 2016

SOURCE
Online retail considered the big winner over the Festive Season with 17% growth in spend

Christmas Retail Spending in Australia, by product category, Dec 2016

- Department Stores: $2.9bn, -2.8% YoY
- Digital Shopping: $1.9bn, +17.3% YoY
- Liquor retailing: $1.8bn, +3.4% YoY
- Electronic goods retailing: $1.5bn, +1.9% YoY
- Recreation goods retailing: $1.02bn, +3.2% YoY

Retail seasonality
Festive Season shopping searches start from late October and peak in December

**October**
- Gift inspiration
- Grab attention when Christmas searches start

**November**
- Peak shopping
- Capture sales and entice purchases

**December**
- Final stage
- Seize last minute shoppers

**January**
- Prepare for post-Christmas sales

**SOURCE**
While sales events gain popularity, two weeks prior to Christmas is still the most crucial period for retailers.

Weekly retail search volume, Nov-Dec 2016

- Click Frenzy Week: 13%
- Black Friday Week: 13%
- Cyber Monday Week: 11%
- 2 weeks prior to Christmas: 20%
- Christmas Boxing Day Week: 11%

32% Nov-Dec total retail searches excluding sales event weeks

More Aussie shoppers are seeking value deals on hot sales events starting from Click Frenzy Day.

- **Click Frenzy** - 15 Nov
- **Black Friday** - 25 Nov
- **Cyber Monday** - 28 Nov
- **Green Monday** - 12 Dec
- **Free Shipping Day** - 15 Dec
- **Boxing Day** - 26 Dec

**Retail Searches**

SOURCE
Microsoft, internal data, Bing Network, Australia, Nov. 1, 2016 – Dec. 31, 2016. Retail vertical includes, consumer electronics, apparel, department stores, shopping portals, furniture and homewares.
4 strategies to capture seasonal uplift this year

1. Be there from the beginning of Nov to capture early shoppers
2. Expect search volume increase from mid Nov driven by hot sales events
3. Plan for last minute holiday shopping sprees throughout December
4. Remember the deal seekers on Boxing Day and during Jan sales
Retail mobile searches peak on weekends and leading up to Christmas when shoppers are likely on the go.

Mobile and tablet search share on Bing in Dec 2016

Mobile/tablet searches peak on weekends

Top 3 days for mobile usage across the entire festive period

SOURCE
Microsoft, internal data, Bing Network, Australia, Dec 1-31, 2016
Predicted top search dates for Festive Season shopping in 2017

**Key Sales Events**
- Click Frenzy: 14-Nov
- Black Friday: 24-Nov
- Cyber Monday: 27-Nov
- Boxing Day: 26-Dec

**Two weeks before Christmas**

**SOURCE**
### INSIGHTS

- Hot sales events are gaining popularity amongst Australian shoppers.
- December and Boxing Day remain busiest periods for holiday shopping.
- Last minute holiday shoppers are shifting to mobile to get the job done.

### ACTIONS

1. Allocate **budgets** according to these key time periods in November. Improve the visibility of your products and promotions with **Bing Shopping Campaigns** throughout the holiday season.

2. Utilise **shared budgets** to capture seasonal demand in December, and remember the deal seekers on Boxing Day and during Jan sales.

3. Differentiate your advertising strategy by device type. Utilise **ad scheduling** and set **time of day bid modifiers** to maximise budget and CPC efficiencies.
Consumer electronics
Cyber Monday and Black Friday had the highest daily volume between October and November.

Search ramps up in the first three weeks of December and peaks on Boxing Day.

**DAILY SEARCH VOLUME, OCT. – DEC. 2016**

- Click Frenzy, Nov. 15
- Black Friday, Nov. 25
- Cyber Monday, Nov. 28
- Boxing Day, Dec. 25

**SOURCE:**
Microsoft internal data, Australia, all devices, Oct. 1 – Dec. 31, 2016. Note: The index is on a comparative 0-100 scale.
Smartphones and gaming consoles saw the strongest search volume last December.

All major consumer electronics categories surged in terms of search volume on Boxing Day. Gaming consoles enjoyed highest uptick on the Black Friday - Cyber Monday weekend.
Competition on sales events is heated

Monitor your share of voice and bid competitively to ensure discoverability

WEEKLY CPC AND CTR, OCT. – DEC. 2016

SOURCE:
The latest models of popular devices dominated the charts during last Festive Season

<table>
<thead>
<tr>
<th>Smartphone</th>
<th>Console</th>
<th>Laptop</th>
<th>Tablet</th>
<th>Wearable</th>
<th>Volume index</th>
</tr>
</thead>
<tbody>
<tr>
<td>iPhone 7</td>
<td>PlayStation 4</td>
<td>Apple/MacBook</td>
<td>iPad</td>
<td>Fitbit</td>
<td>100</td>
</tr>
<tr>
<td>iPhone 6</td>
<td>Xbox One</td>
<td>Microsoft Surface</td>
<td>Galaxy Tab</td>
<td>Apple Watch</td>
<td>50</td>
</tr>
<tr>
<td>Galaxy S7</td>
<td>Xbox 360</td>
<td>HP</td>
<td>Kindle Fire</td>
<td>Garmin</td>
<td>25</td>
</tr>
<tr>
<td>Google Nexus</td>
<td>PlayStation 3</td>
<td>Chromebook</td>
<td>Lenovo</td>
<td>Samsung Gear</td>
<td></td>
</tr>
<tr>
<td>Galaxy Note</td>
<td>Nintendo Wii</td>
<td>Toshiba</td>
<td>Asus</td>
<td>Pebble</td>
<td></td>
</tr>
</tbody>
</table>

SOURCE
Microsoft internal data, Australia, all devices, Oct. 1 – Dec. 31, 2016. Note: The index is on a comparative 0-100 scale.
The gaming consoles were unquestionable hits of holiday sales events during last Festive Season

DAILY SEARCH VOLUME

November avg. daily volume | Black Friday | Cyber Monday | Boxing Day

SOURCE
Microsoft internal data, Australia, all devices, Nov. 25th 2016, Nov. 28th 2016 and Dec. 26th 2016. Note: The index is on a comparative 0-100 scale.
1 iPhone 7 queries containing: apple 7, apple 7 plus, iphone 7, iphone 7 plus, iphone 7 s, iphone 7 s plus, iphone 7plus, iphone 7s, iphone7.
2 Galaxy S7 queries containing: galaxy 7, s 7, s7, s7 edge.
3 PlayStation 4 queries containing: playstation 4, ps4.
4 Xbox One queries containing: xbox one.
5 iPad queries containing: ipad mini.
Be aware of new product releases which might potentially turn into **Festive Season** best-sellers

<table>
<thead>
<tr>
<th>Product</th>
<th>Expected 2017 release</th>
</tr>
</thead>
<tbody>
<tr>
<td>Samsung Note 8</td>
<td>September</td>
</tr>
<tr>
<td>iPhone 8</td>
<td>September</td>
</tr>
<tr>
<td>SNES Classic Mini</td>
<td>September</td>
</tr>
<tr>
<td>Google Pixel 2</td>
<td>October</td>
</tr>
<tr>
<td>Xbox One X</td>
<td>November</td>
</tr>
<tr>
<td>iMac Pro</td>
<td>December</td>
</tr>
<tr>
<td>Apple Home Pod</td>
<td>December</td>
</tr>
</tbody>
</table>

7am-12pm are the winning hours on Black Friday and Cyber Monday

Hourly search volume between 7am-12pm on **Black Friday was 35% higher** compared to the average volume of three previous Fridays.

The 7am-12pm activity on **Cyber Monday had an 8% uplift** compared to the average volume of three previous Mondays.

SOURCE
Microsoft internal data, Australia, all devices, Nov. 2016, Australian Eastern Daylight Time (AEDT). Note: The index is on a comparative 0-100 scale.
* Previous Fridays include: 4 Nov. 2016, 11 Nov. 2016 and 18 Nov. 2016.
** Previous Mondays include: 7 Nov. 2016, 14 Nov. 2016 and 21 Nov. 2016.
48% of delivery and location searches happened in December.

Delivery and shipping related queries peak in the 2\textsuperscript{nd} week of December, while location queries ramp up on 19\textsuperscript{th} December and peak on Boxing Day.
C\textsuperscript{u}stomers are more determined to finalise their buying decision as December approaches.

\begin{figure}
\centering
\includegraphics[width=\textwidth]{chart.png}
\caption{Search Volume, Oct. – Dec. 2016}
\end{figure}

<table>
<thead>
<tr>
<th>Month</th>
<th>Search Volume</th>
</tr>
</thead>
<tbody>
<tr>
<td>Oct-16</td>
<td>88%</td>
</tr>
<tr>
<td>Nov-16</td>
<td>91%</td>
</tr>
<tr>
<td>Dec-16</td>
<td>100%</td>
</tr>
</tbody>
</table>

\textbf{SOURCE:}
Tech shoppers are more likely to be males aged 35-49

SEARCH VOLUME, OCT. – DEC. 2016

Age groups

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>18-24</td>
<td>12%</td>
</tr>
<tr>
<td>25-34</td>
<td>20%</td>
</tr>
<tr>
<td>35-49</td>
<td>33%</td>
</tr>
<tr>
<td>50-64</td>
<td>26%</td>
</tr>
<tr>
<td>65+</td>
<td>8%</td>
</tr>
</tbody>
</table>

Gender

- Male: 54%
- Female: 46%

SOURCE
## Campaign planning

### INSIGHTS

Tech shoppers embrace key sales events in November, however December is still the most crucial month.

- Shoppers have specific products and models in mind during key sales events.
- Getting gifts on time is paramount; once home delivery window closes, shoppers head to physical stores.

### ACTIONS

While Black Friday, Cyber Monday and Boxing Day are important, ensure budget is sufficiently allocated to the remaining time periods.

- Create Bing Shopping Campaigns and leverage their rich imagery to highlight popular products. Utilise the right combination of ad extensions to display the latest catalogues and offers.
- Set up count-down ads as the home delivery cut-off time approaches. Highlight your convenient delivery options (same day, free shipping). Use location extensions to direct foot traffic into your physical stores.
Apparel and fashion
Click Frenzy marks the start of holiday apparel shopping

Cyber Monday and Black Friday had the highest daily volume between October and November

DAILY SEARCH VOLUME, OCT. – DEC. 2016

SOURCE
Microsoft internal data, Australia, all devices, Oct. 1 – Dec. 31, 2016. Note: The index is on a comparative 0-100 scale.
Clothing is the dominant category with a major last minute peak on 19th December.

Interest for sports apparel remain high during Click Frenzy and all other sales events.
Sales events present good opportunity as CPCs remain relatively low compared to December.
Australian clothing and footwear brands show strong interest

While jewellery and sports categories are dominated by international players

<table>
<thead>
<tr>
<th>Clothing</th>
<th>Footwear</th>
<th>Sports brands</th>
<th>Jewellery</th>
<th>Accessories</th>
<th>Volume index</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cotton On</td>
<td>Betts</td>
<td>Nike</td>
<td>Pandora</td>
<td>Mimco</td>
<td>100</td>
</tr>
<tr>
<td>Country Road</td>
<td>Wittner</td>
<td>Adidas</td>
<td>Tiffany &amp; Co</td>
<td>Fossil</td>
<td>50</td>
</tr>
<tr>
<td>Witchery</td>
<td>Nine West</td>
<td>Asics</td>
<td>Michael Hill</td>
<td>Oroton</td>
<td>25</td>
</tr>
<tr>
<td>Forever New</td>
<td>RM Williams</td>
<td>Billabong</td>
<td>Swarovski</td>
<td>Colette</td>
<td></td>
</tr>
<tr>
<td>Zara</td>
<td>Tony Bianco</td>
<td>Puma</td>
<td>Angus &amp; Coote</td>
<td>Michael Kors</td>
<td></td>
</tr>
</tbody>
</table>

SOURCE
Microsoft internal data, Australia, all devices, Oct. 1 – Dec. 31, 2016. Note: The index is on a comparative 0-100 scale.
Market leaders are nearly head to head in terms of brand interest

SEARCH VOLUME, OCT. – DEC. 2016

<table>
<thead>
<tr>
<th>Department store</th>
<th>Online store</th>
<th>Sports store</th>
<th>Volume index</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kmart</td>
<td>Asos</td>
<td>Rebel Sports</td>
<td>100</td>
</tr>
<tr>
<td>Big W</td>
<td>Etsy</td>
<td>City Beach</td>
<td>50</td>
</tr>
<tr>
<td>Target</td>
<td>The iconic</td>
<td>SurfStitch</td>
<td>25</td>
</tr>
<tr>
<td>Myer</td>
<td>Boohoo</td>
<td>Foot Locker</td>
<td></td>
</tr>
<tr>
<td>David Jones</td>
<td>Missguided</td>
<td>Amart All Sports</td>
<td></td>
</tr>
</tbody>
</table>

SOURCE
Microsoft internal data, Australia, all devices, Oct. 1 – Dec. 31, 2016. Note: The index is on a comparative 0-100 scale.
7am-12pm are the winning hours on Black Friday and Cyber Monday

Hourly search volume between 7am-12pm on Black Friday was 43% higher compared to the average volume of three previous Fridays.

The 7am-12pm activity on Cyber Monday had a 25% uplift compared to the average volume of three previous Mondays.

SOURCE
Microsoft internal data, Australia, all devices, Nov. 2016, Australian Eastern Daylight Time (AEDT). Note: The index is on a comparative 0-100 scale.
* Previous Fridays include: 4 Nov. 2016, 11 Nov. 2016 and 18 Nov. 2016.
** Previous Mondays include: 7 Nov. 2016, 14 Nov. 2016 and 21 Nov. 2016.
70% of delivery and locations searches are happening in December

Delivery and shipping related queries peak in the 2nd week of December, while location queries ramp up from mid December and peak before Christmas.

DAILY SEARCH VOLUME, OCT. – DEC. 2016

Click Frenzy, Black Friday, Cyber Monday, Boxing Day

SOURCE
Microsoft internal data, Australia, all devices, Oct. 1 – Dec. 31, 2016. Note: The index is on a comparative 0-100 scale.
Delivery & shopping contains: click and collect, delivery, order and collect, shipping.
Location & opening hours contains: locations, opening hours, store finder, store locator, trading hours.
Purchase intent grew 17% from October to December

Consumers are more determined to finalise their buying decision as December approaches

SOURCE
Apparel shoppers are likely to be females aged 35-49

SEARCH VOLUME, OCT. – DEC. 2016

**Age groups**

- 18-24: 16%
- 25-34: 23%
- 35-49: 32%
- 50-64: 24%
- 65+: 5%

**Gender**

- Female: 65%
- Male: 35%

**Source**
## Campaign planning

<table>
<thead>
<tr>
<th>INSIGHTS</th>
<th>ACTIONS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fashion shoppers embrace sales events in November, however December is still the most crucial month.</td>
<td>While Black Friday, Cyber Monday and Boxing Day are important, ensure budget is sufficiently allocated to the remaining time periods.</td>
</tr>
<tr>
<td>Shoppers show strong brand familiarity when researching their apparel holiday gifts.</td>
<td>Create Bing Shopping Campaigns and leverage their rich imagery to highlight popular products. Utilise the right combination of ad extensions to display the latest offers and deals.</td>
</tr>
<tr>
<td>Getting gifts on time is paramount; once home delivery window closes, shoppers head to physical stores.</td>
<td>Set up count-down ads as the home delivery cut-off time approaches. Highlight your convenient delivery options (same day, free shipping). Use location extensions to direct foot traffic into your physical stores.</td>
</tr>
</tbody>
</table>
Furniture and homewares
Demand for furniture research stays consistent throughout the year

Lead up to end of the calendar year and financial year present higher opportunity for furniture advertisers

MONTHLY SEARCH VOLUME, JUNE. – DEC. 2016

- June: 104%
- July: 101%
- August: 101%
- September: 98%
- October: 101%
- November: 102%
- December: 92%

SOURCE
Post Christmas period shows higher demand for furniture related searches

Hot sales events bring slight traffic uplift for online search

DAILY SEARCH VOLUME, OCT. - DEC. 2016

SOURCE
Competition increases starting from November

Boxing day week shows higher click through rate indicting that the marketplace is active while competition is lower than November

WEEKLY CPC AND CTR, OCT – DEC. 2016

SOURCE
Microsoft internal data, Australia, all devices, Oct – Dec. 31, 2016 Furniture and homewares related queries.
Shoppers prefer visiting bricks-and-mortar when it comes to furniture shopping

**However online stores are growing rapidly at 10% YoY**

<table>
<thead>
<tr>
<th><strong>Branded Searches related to</strong>¹</th>
<th><strong>Search volume Oct. - Dec. 2016</strong></th>
<th><strong>YOY Growth Oct. - Dec.</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Furniture</td>
<td>100</td>
<td>-2%</td>
</tr>
<tr>
<td>Homewares</td>
<td>59</td>
<td>14%</td>
</tr>
<tr>
<td>Online furniture</td>
<td>8</td>
<td>10%</td>
</tr>
<tr>
<td>Beds &amp; mattresses</td>
<td>7</td>
<td>13%</td>
</tr>
</tbody>
</table>

**SOURCE**
Australian brands are top of mind for furniture and homewares shoppers

*With strong expansion in Australia¹, IKEA is gaining high awareness among Bing users*

SEARCH VOLUME, OCT.- DEC. 2016

<table>
<thead>
<tr>
<th>Furniture</th>
<th>Homewares</th>
<th>Online Furniture</th>
<th>Beds &amp; Mattresses</th>
<th>Volume index</th>
</tr>
</thead>
<tbody>
<tr>
<td>IKEA</td>
<td>Spotlight</td>
<td>Temple and Webster</td>
<td>Forty Winks</td>
<td>100</td>
</tr>
<tr>
<td>Fantastic furniture</td>
<td>Adairs</td>
<td>Matt Blatt</td>
<td>Snooze</td>
<td>50</td>
</tr>
<tr>
<td>Freedom furniture</td>
<td>Sheridan</td>
<td>Global shop direct</td>
<td>Beds r us</td>
<td>25</td>
</tr>
<tr>
<td>Domayne</td>
<td>Lincraft</td>
<td>Milan Direct</td>
<td>Koala mattress</td>
<td></td>
</tr>
<tr>
<td>Nick Scali</td>
<td>Bed bath and table</td>
<td>Brosa</td>
<td>Captain Snooze</td>
<td></td>
</tr>
</tbody>
</table>

SOURCE
Microsoft internal data, Australia, all devices, Oct. 1 – Dec. 31, 2016. Note: The index is on a comparative 0-100 scale and the volume is indexed volume of top query.
Top products searched by shoppers.....

"Outdoor furniture" is a must have keyword this Festive Season

<table>
<thead>
<tr>
<th>Living room</th>
<th>Bedroom</th>
<th>Outdoor</th>
<th>Office</th>
<th>Volume index</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lounge</td>
<td>Bed</td>
<td>Outdoor furniture</td>
<td>Desk</td>
<td>100</td>
</tr>
<tr>
<td>Couch/Sofa</td>
<td>Mattress</td>
<td>Outdoor chair</td>
<td>Study desk</td>
<td>50</td>
</tr>
<tr>
<td>Ottoman</td>
<td>Wardrobe</td>
<td>Outdoor table</td>
<td>Standing desk</td>
<td>25</td>
</tr>
<tr>
<td>Coffee table</td>
<td>Drawer</td>
<td>Outdoor lounge</td>
<td>Home office furniture</td>
<td></td>
</tr>
<tr>
<td>Armchair</td>
<td>Bed frame</td>
<td>Outdoor lighting</td>
<td>Office desk</td>
<td></td>
</tr>
</tbody>
</table>

SOURCE
Microsoft internal data, Australia, all devices, Nov. 1 – Dec. 31, 2016. Note: The index is on a comparative 0-100 scale and the volume is indexed volume of top query.
Shoppers are researching online for Christmas furniture inspirations in early December

WEEKLY SEARCH VOLUME, NOV. - DEC. 2016

SOURCE:
Microsoft internal data, Australia, all devices, Nov 27 – Dec. 30, 2016. All queries contain “Christmas furniture ideas”
And most importantly......

Christmas tree and decoration searches start to increase in November

MONTHLY SEARCH VOLUME, OCT. - DEC. 2016
Females take the lead for furniture and homewares research online

61% of furniture and homewares searches are generated by 35-64 age group

SEARCH VOLUME, OCT. – DEC. 2016

Age groups

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>18-24</td>
<td>10%</td>
</tr>
<tr>
<td>25-34</td>
<td>20%</td>
</tr>
<tr>
<td>35-49</td>
<td>31%</td>
</tr>
<tr>
<td>50-64</td>
<td>30%</td>
</tr>
<tr>
<td>65+</td>
<td>9%</td>
</tr>
</tbody>
</table>

Gender

- Female: 66%
- Male: 34%

SOURCE
## Campaign planning

<table>
<thead>
<tr>
<th>INSIGHTS</th>
<th>ACTIONS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Key periods for end of year furniture shopping are November and post</td>
<td>Set up your campaigns and allocate sufficient budgets in October to be ready to capture search peaks from November and post Christmas sales. Set up remarketing lists to reconnect with buyers on Boxing Day and post holiday sales.</td>
</tr>
<tr>
<td>post Christmas sales</td>
<td>Showcast your products to online researchers through the rich experience of the Bing Shopping Campaigns. Leverage location extensions to direct foot traffic to your physical store.</td>
</tr>
<tr>
<td>When it comes to furniture shopping physical stores remain popular,</td>
<td>Promote relevant product types or individual products that align with the seasonal search demand to increase your conversions. Leverage sitelinks and structured snippets.</td>
</tr>
<tr>
<td>however online shops gain momentum</td>
<td></td>
</tr>
<tr>
<td>Furniture and decoration related queries drive search demand in December</td>
<td></td>
</tr>
</tbody>
</table>
New reporting features: Coming in 2017

- Feed rejection alert email notification
- Number of matched offers at product group level
- Negative keyword conflict report
- Reporting enhancements to Bing Merchant Center
- Adding ROAS and Store ID columns to BSC reports – NOW AVAILABLE
- Product Tab in Bing Merchant Center
Feed and URL improvements: Google Merchant Center (GMC) Import tool – coming soon

If you already have Product Ads running in Google AdWords, save time and effort with the GMC Import tool and get your ads in front of more customers through Bing Ads.
Improve the visibility of your products and promotions with Bing Shopping Campaigns throughout the holiday season

1. **Elite Merchant Badge**
   - Display only for merchants with high ratings – in pilot

2. **Price Drop Alerts**
   - Automatically detected by price changes in feeds - in pilot

3. **Product Ratings**
   - Ratings from customer’s site and trusted third parties - in pilot
Free Shipping Annotation – pilot in in the US Display “Free Shipping” in your Product Ads
Choose the right tools to pursue holiday shoppers

Drive foot traffic to your business.
- Location Extensions
- Location targeting

Target unique audiences.
- Device targeting
- Demographic targeting

Acquire new customers.
- Remarketing in Paid Search
- Universal Event Tracking

Increase ad clicks.
- Structured Snippet Extensions
- Sitelink Extensions and Enhanced Sitelinks

Sell your products online.
- Bing Shopping Campaigns
- Elite Merchant Badge

Increase app installs and usage.
- App Extensions
- Mobile device targeting

Build your brand trust.
- Security Badge Annotation
- Merchant Rating Annotation
- Review Extensions

Get more phone calls to your business.
- Call Extensions
- Day and time targeting

Streamline your campaign management.

Google Import
- APIs for UET tags, conversion goals and Remarketing in Paid Search
- Automated Rules
Connect with a search specialist who can help you get started today.

Call 1800 030 716 or check out
Getting started