

The value of search

Offline revenue impact of paid search



 Bing

Value of search

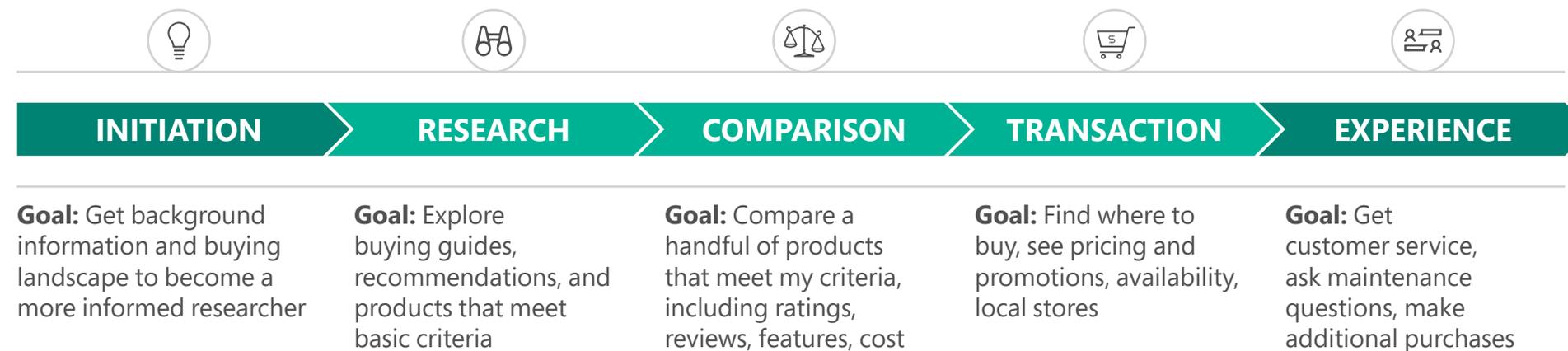
Research, comparison and transaction

Search influences decisions at every stage of the consumer's decision journey.

Knowing how consumers utilize search from initial consideration to experience with a product or service can help you be there with the right message at the right time.

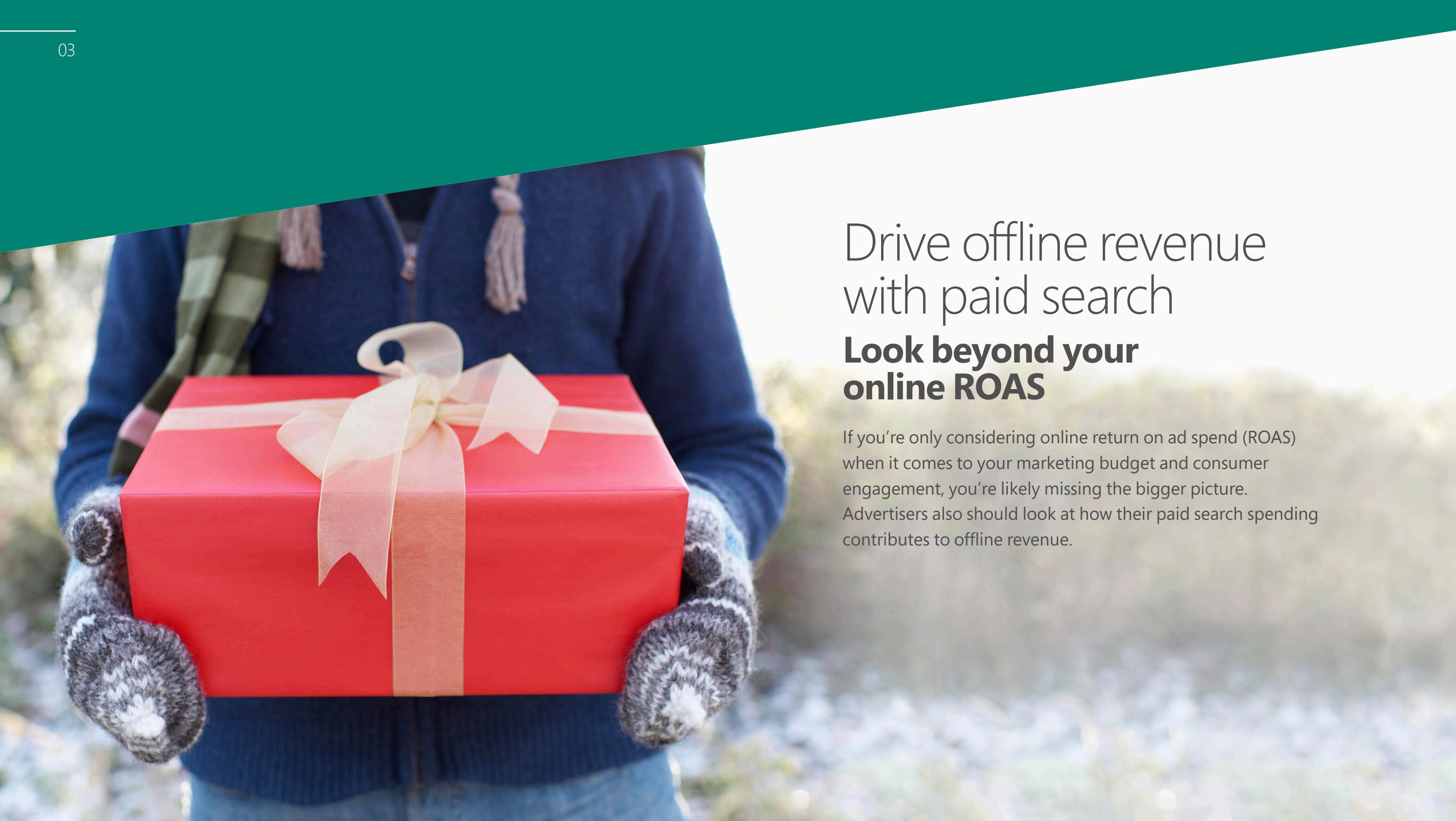
In this eBook, learn the value of search in the **research**, **comparison** and **transaction** phases of the decision journey, when positioning your brand can help you drive both offline and online revenue.

This study is based on Microsoft analysis of both internal data and a retailer's in-store purchase data. Microsoft worked with LiveRamp to attribute a large retailer's in-store purchases to their Bing Ads campaigns. This study compares the attribution results between a holiday timeframe (Nov-Dec 2016) and a pre-holiday timeframe (Oct 2016) for the retailer.



Retail

1. Study of Microsoft internal data and a U.S. retailer's in-store purchase data, LiveRamp, commissioned by Microsoft, 27.1k transactions from October 17-23, 2016 and 877k transactions from November to December 2016; results are based on actual attributed numbers from cookie matching and are not extrapolated.



Drive offline revenue with paid search

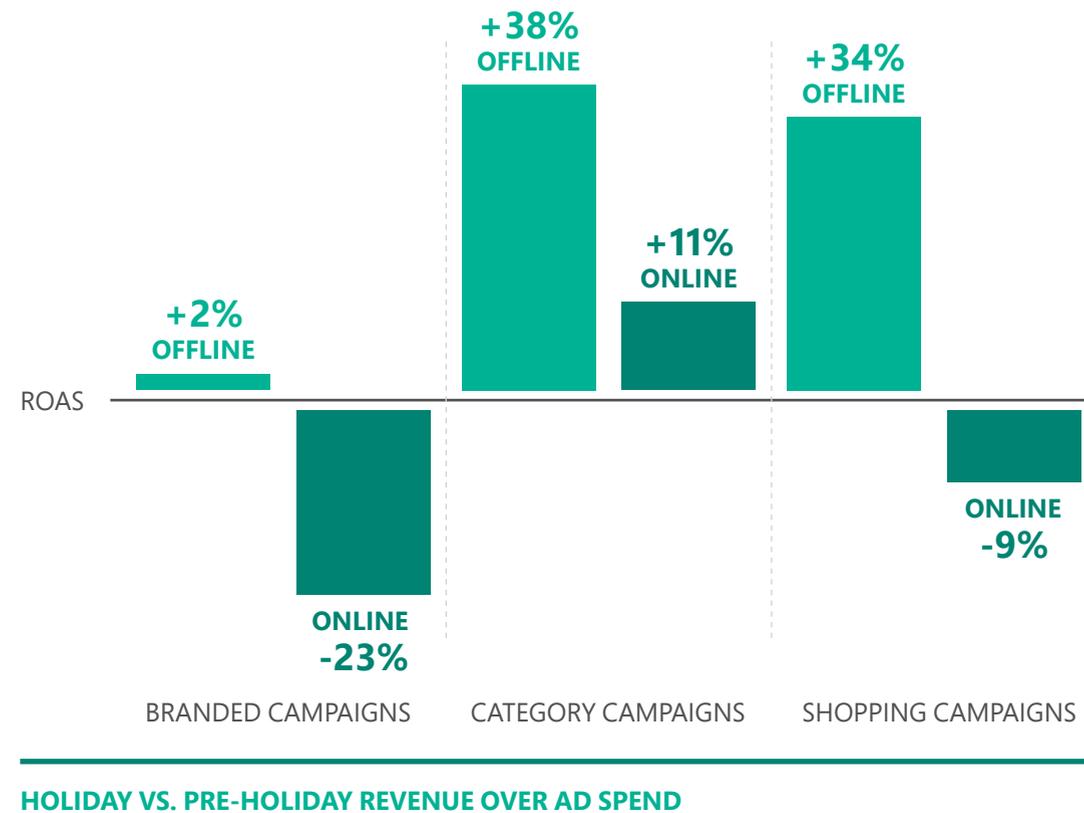
Look beyond your online ROAS

If you're only considering online return on ad spend (ROAS) when it comes to your marketing budget and consumer engagement, you're likely missing the bigger picture. Advertisers also should look at how their paid search spending contributes to offline revenue.

Measure offline ROAS During the holidays

Our study of how paid search contributed to one retailer's online and offline revenue looked at text ad campaigns for branded and category (non-branded) keywords, as well as Bing Shopping Campaigns. We found that, during the holidays, offline ROAS improved by 2% for branded campaigns, 38% for category campaigns and 34% for shopping campaigns compared to pre-holiday levels.

Across the board, customers were more likely to spend money in a store after clicking on an ad during the holidays than they were earlier in the year.



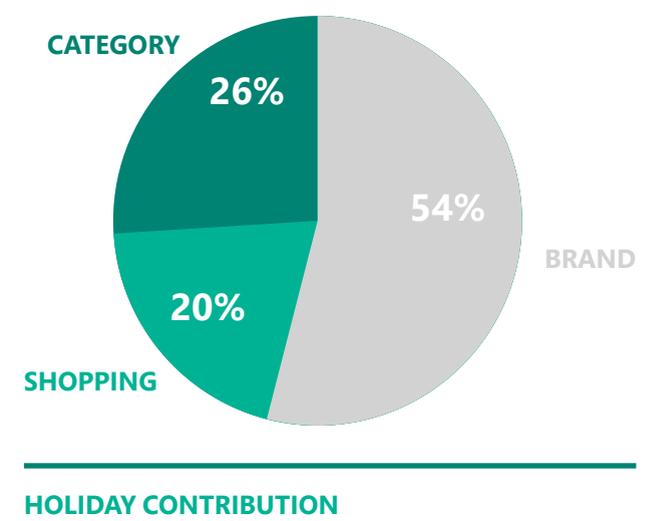
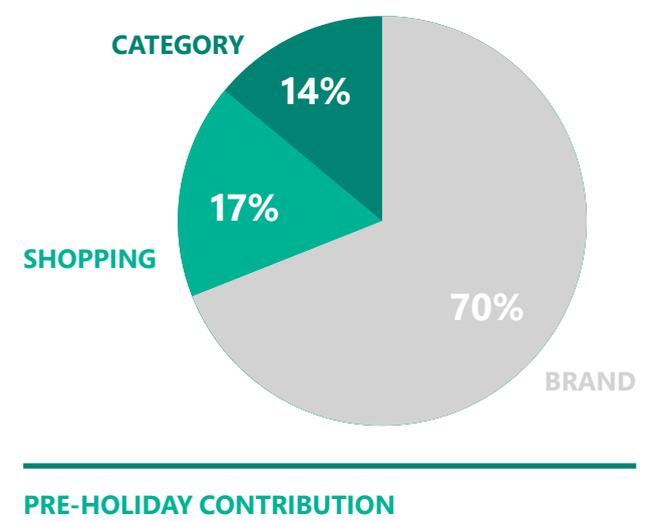
Microsoft, Offline Revenue Impact of Paid Search Study, 2017.

Add category and shopping campaigns For revenue growth

While branded campaigns may drive the most revenue, don't discount the impact of category and shopping campaigns – especially during the holidays.

Offline revenue attributed to category and shopping campaigns increased by 53% during the holidays compared to the retailer's pre-holiday levels.

Microsoft, Offline Revenue Impact of Paid Search Study, 2017.





Plan for delayed offline transactions

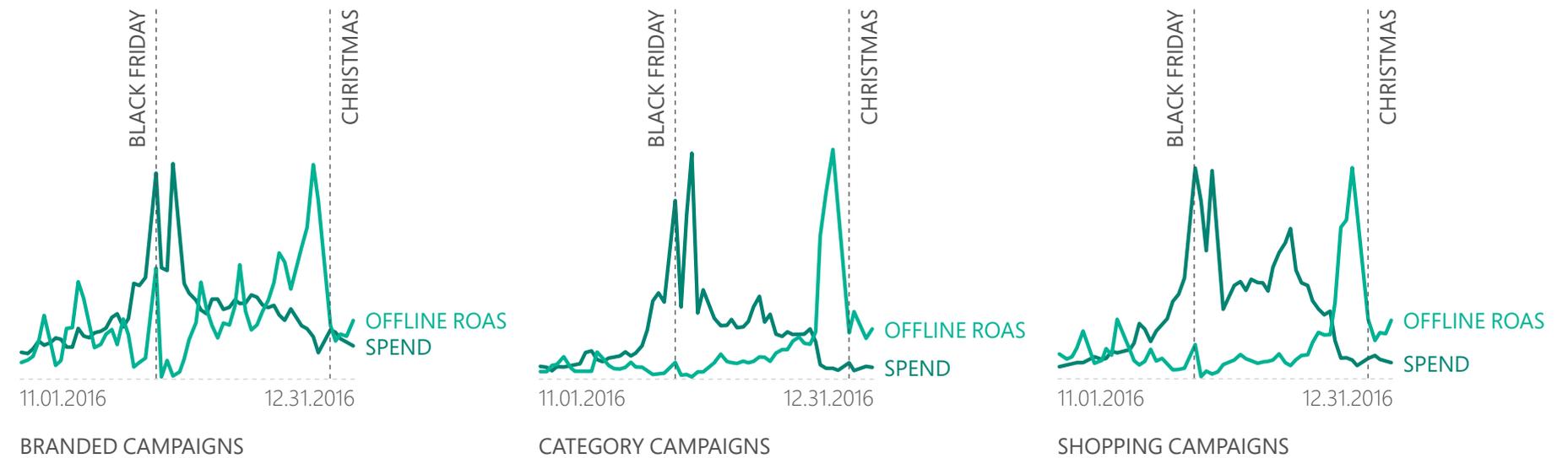
Consumers search early, spend later during the holidays

Sometimes customers act immediately after conducting a search and visit the nearest brick and mortar storefront. Other times they visit the store at a later date. In our study, we found a delayed effect on in-store revenue from paid search spending across branded, category and shopping campaigns during the holiday season.

When evaluating the impact of paid search in a marketing strategy, keep this latency in mind. Don't make early optimizations based on online ROAS alone.

Commit to long-term investments With paid search campaigns

Data suggests that large ad spending increases may not have an immediate effect on offline revenue. For category and shopping campaigns especially, there were large spikes in offline revenue that coincided with the retailer's large ad spending increases on Bing Ads 30 days prior.



OFFLINE ROAS VS. AD SPEND, NOV-DEC 2016

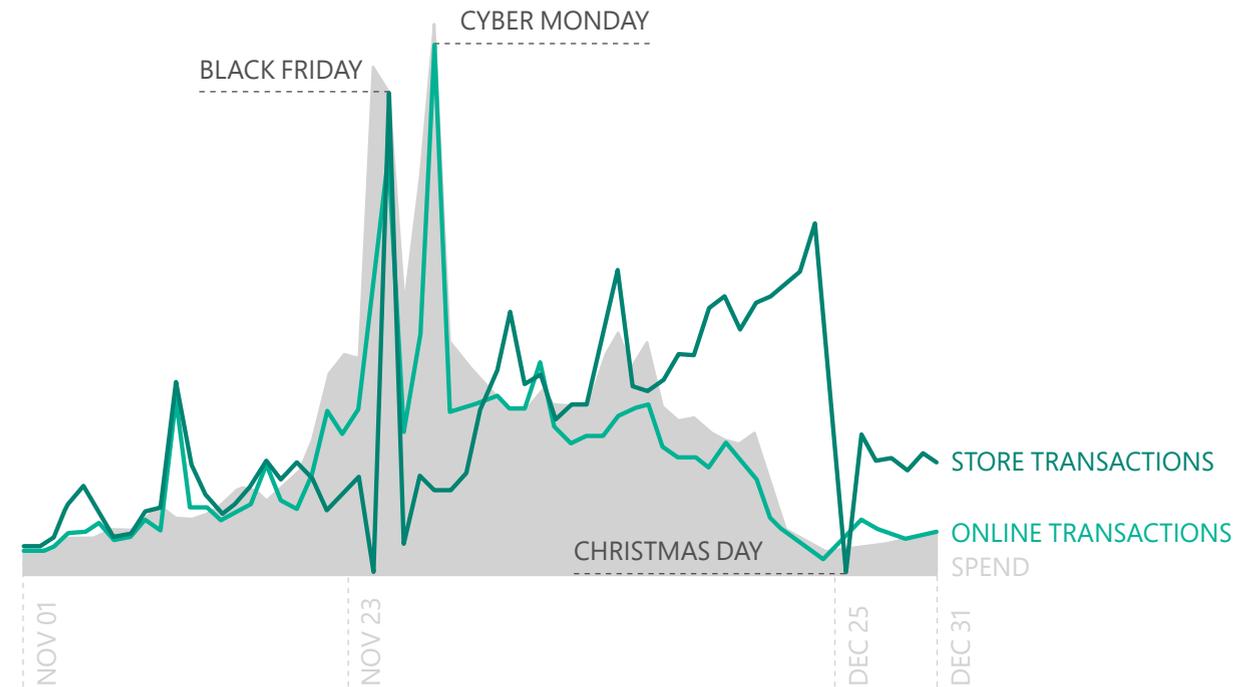
Microsoft, Offline Revenue Impact of Paid Search Study, 2017.

Kick off campaigns early To engage research and comparison shoppers

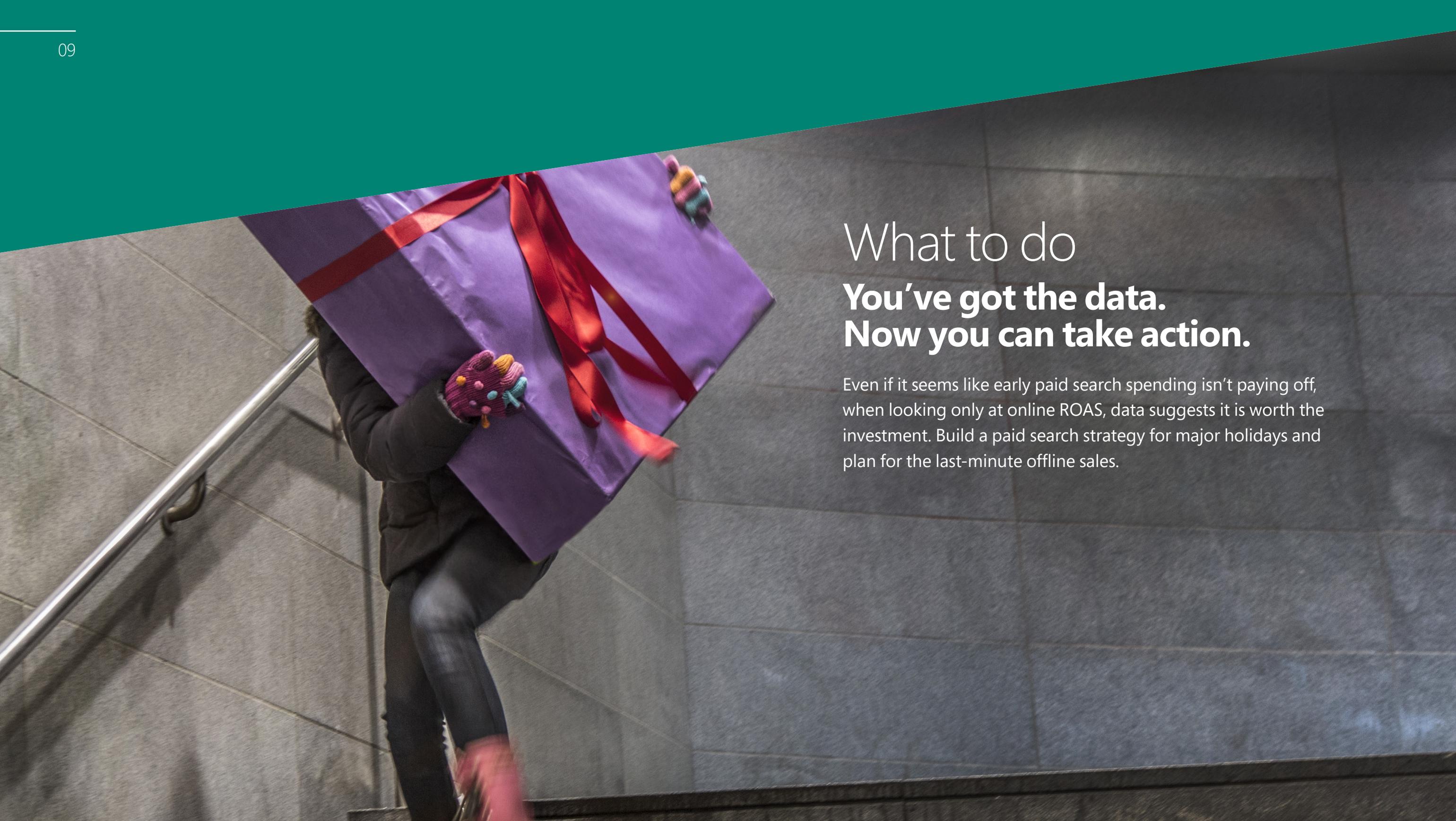
Customers search early – around Thanksgiving and Black Friday – but might wait until the last minute – such as, the week before Christmas – to go to a store and make purchases.

Because early exposure to paid search ads can lead to in-store purchases throughout the holiday season, it's important to look over time at offline revenue. The early spending – especially on category and shopping campaigns – might drive revenue over a longer time frame.

Microsoft, Offline Revenue Impact of Paid Search Study, 2017.



TRANSACTIONS VS, AD SPEND, NOV-DEC 2016



What to do

**You've got the data.
Now you can take action.**

Even if it seems like early paid search spending isn't paying off, when looking only at online ROAS, data suggests it is worth the investment. Build a paid search strategy for major holidays and plan for the last-minute offline sales.

Here's your to-do list to engage online users and see an impact on offline revenue

Step back, and take a look at the bigger picture

It is important to view your paid search strategy holistically. Advertising on the Bing Network is powerful because, with conversion tracking, you can attribute online spend to online revenue fairly simply. But assessing success and making optimization decisions based on just this narrow view will hold you back. The offline effect must also be considered.

Use historical data to make informed decisions. When customers transition from online to offline, complexities like delays may be common. Understanding what to expect for your business should influence optimization strategy and budget allocation.

Invest in category and shopping campaigns

Category and shopping campaigns may have a lower ROAS than branded campaigns, but they can be important drivers of offline transactions. Invest more in them during the holidays when revenue is often the highest.

Expose potential customers to your brand during early stages of their decision journey and use your paid search strategy to help drive in-store transactions.

Microsoft, Offline Revenue Impact of Paid Search Study, 2017.

Bing Ads helps you be there

Engage with customers online and in-store

Offline revenue impact from consumers who searched and clicked weeks before can be significant. Plan and evaluate paid search as part of your broader marketing strategy, to ensure you engage your customers with the right message at the right time.

Bing Network. Be there.

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