

MICROSOFT ADVERTISING INSIGHTS

Father's Day insights US

March 2022

Microsoft Advertising. Great relationships start here.



Key takeaways and solutions to maximize your budget



Consumers plan to shop both online and in-stores this Father's Day and expect to spend roughly \$175 per person

Promote products available locally with <u>Local Inventory Ads</u> and enhance the experience with a Curbside pick-up badge.



Most retail sub-categories should see a spike in early June, but queries including "fathers day" won't ramp until much later

Raise awareness for your brand by activating the <u>Microsoft</u> <u>Audience Network</u> and capture attention with <u>Multimedia</u> ads.



Activity-based gifts were popular last year and forecasts suggest they will continue to grow especially dining-out

By including <u>Merchant</u> <u>Promotions</u> in your Shopping Campaigns, you can improve visibility, leading to more clicks and an improved ROI.



Greeting Cards are expected to be the #1 purchased item this Father's Day

Top 3 gift categories for Father's Day 2022





Pro Tip: Reach consumers on their retail journey with <u>Shopping Ads</u> that drive up to +57% conversions.² After set up, you can include <u>Ad Extensions</u> such as filter link and multi-image to highlight your offerings even more.



Source: 1. National Retail Federation – Father's Day Spending 2021 2. Microsoft internal data, Microsoft Search Network, U.S., 2016 vs. 2017

Over 1/3 of consumers plan to shop online this year

Expectations for Father's Day 2022: Where people will shop and what they will buy for gifts



Specialty Store

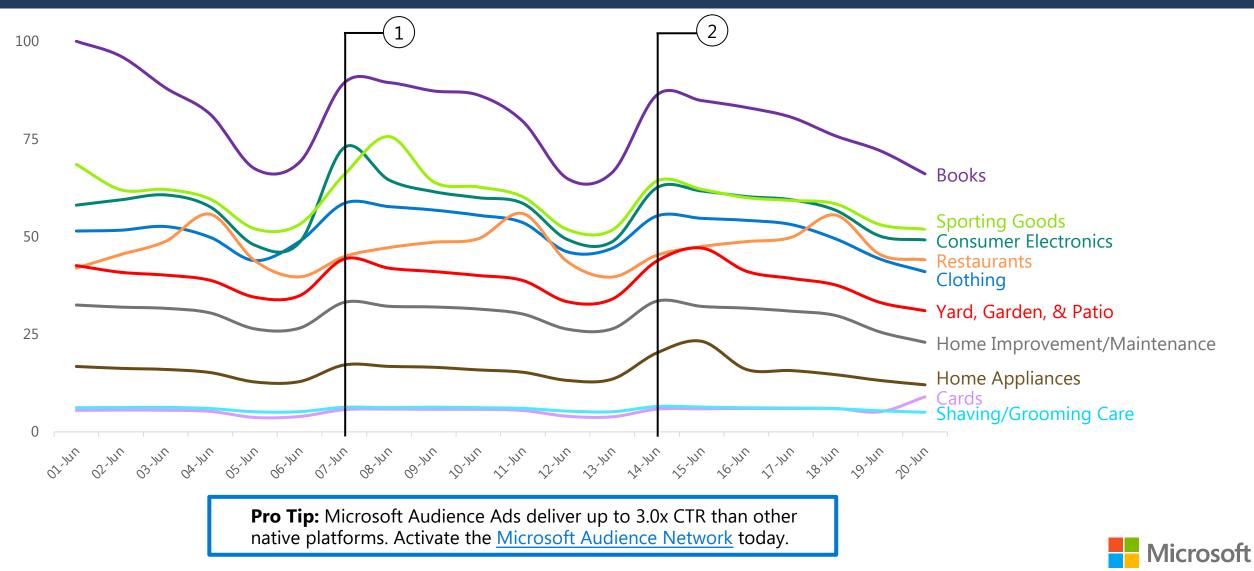
Top 10 gifts shoppers plan to give for Father's Day 2022:

- 1. Greeting Cards
- 2. Clothing
- 3. Special Outing
- 4. Gift Cards
- 5. Personal Care
- 6. Books/CDs
- 7. Electronics
- 8. Home Improvement/Gardening
- 9. Tools or Appliances
- 10. Sporting Goods



Retail sub-categories should ramp at least twice in June before Father's Day

Indexed searches by sub-category for top 10 expected Father's Day gifts, June 1-20 Father's Day 2021



Reach last minute shoppers with "fathers day" queries, which spike late

Year-over-year YoY search volume for queries containing "fathers day" from two weeks before the holiday

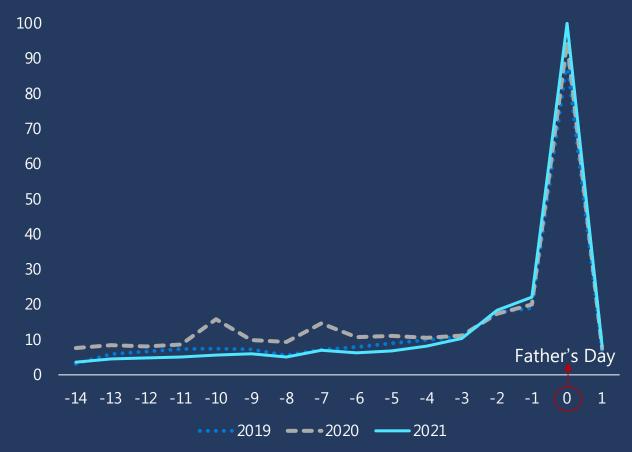
Top queries containing "fathers day" since 2019

when is fathers day happy fathers day images fathers day clipart fathers day gift daughter happy fathers day pics fathers day diy fathers day print fathers day svg

Pro Tip: Target key customers with your firstparty data by implementing <u>Customer Match</u> or find curated lists of users found to be in-market for your purchase category with <u>In-market</u>

Audionces

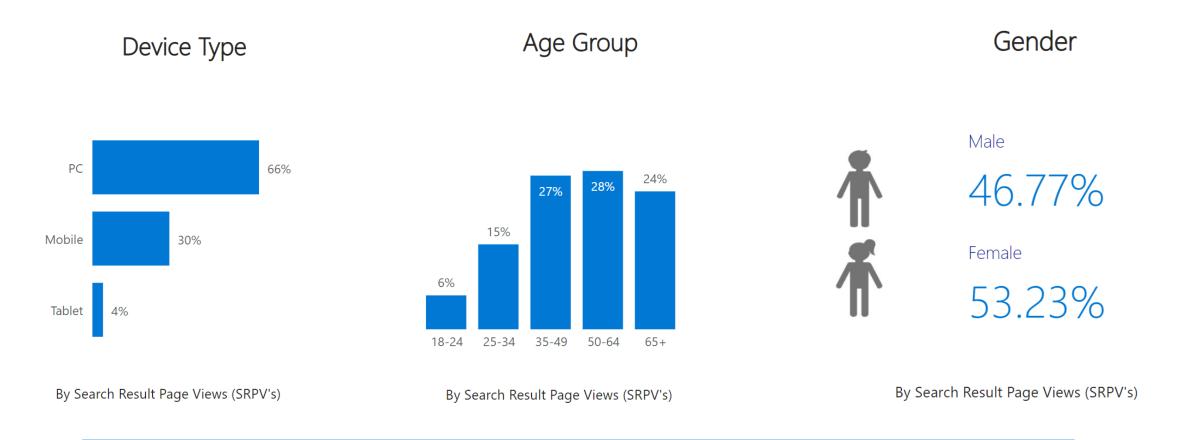
Indexed searches two weeks out from Father's Day





Gift searches during Father's Day week were most popular for Females 35+

Audience insights device type, age group, gender by number of searches Father's Day week 2021

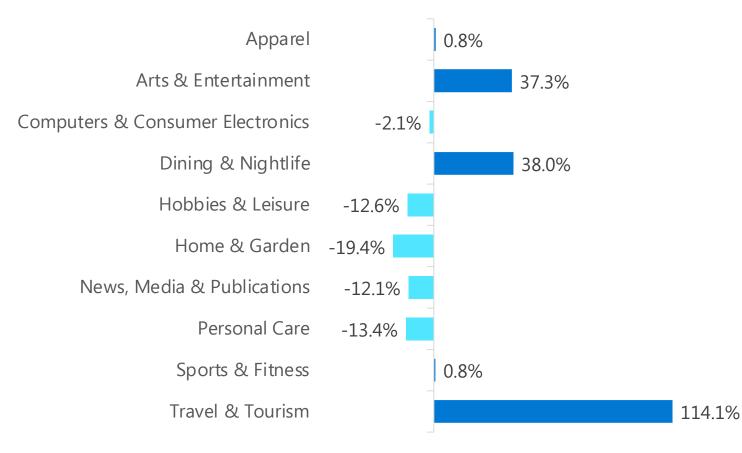


Pro Tip: <u>Multimedia ads</u> use large visual imagery that showcases your brand and products, which in turn will help to capture users' attention and own the SRPV's for your category.



Clicks during Father's Day last year skewed toward activities

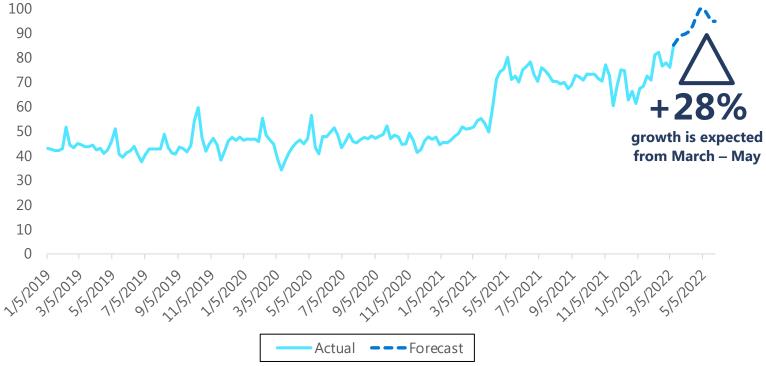
YoY percentage change for clicks on Father's Day by query category 2020 – 2021



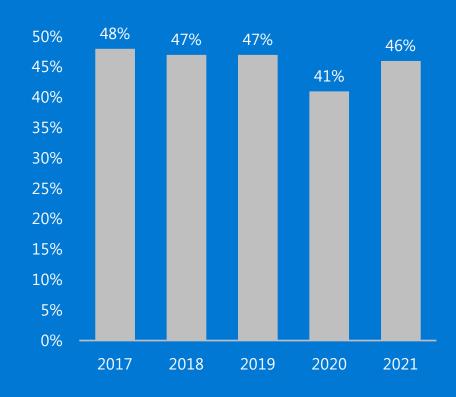


Dine-in restaurant activity should continue to ramp in upcoming months

Indexed Dining-In related searches since 2019 followed by forecasted searches in 2022 based on effects of COVID-19



"Consumers are showing they are comfortable with pre-pandemic behaviors and activities, particularly as we head into the summer season. Many are planning to take Dad out for a **special meal or experience** this Father's Day." – Phil Rist, VP of Strategy at Prosper Percent of people who planned to gift a special outing such as dinner/brunch for Father's Day over the last five years



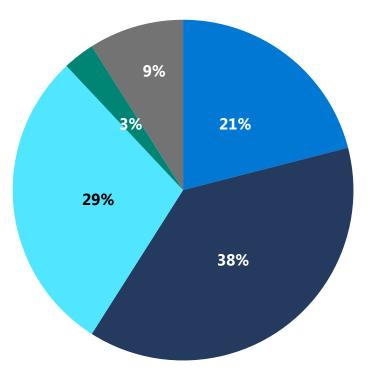
Pro Tip: Use <u>Filter Link Extensions</u>, <u>Action Extensions</u> and <u>Image Extensions</u> to highlight your variety of gifts.



Source: 1. Microsoft Internal Data; 2. National Retail Federation – Father's Day Spending 2021

38% of consumers are expecting to shop at a local restaurant or store

Responses to "Where are you most likely to get a Father's Day gift this year?" - Civic Science



- National retailer / restaurant
 Local store / restaurant
- Online retailer
- Online marketplace
- Make at home

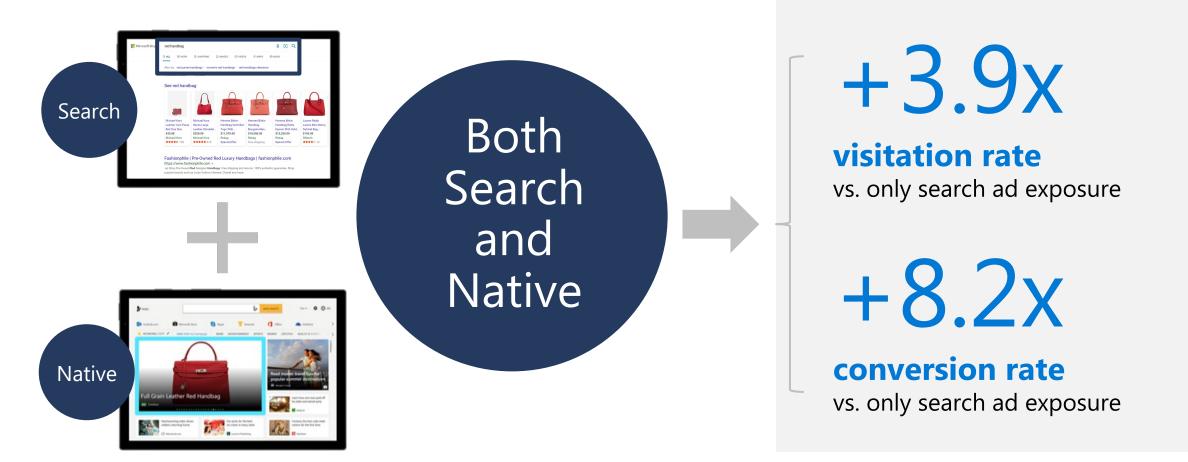


Pro Tip: Queries containing "shop local" grew 66% YoY in January.² Implement Location Targeting and showcase your products to nearby shoppers with Local Inventory Ads.



Reach users across both search and native platforms this Father's Day to attain incremental lifts in site visitation and conversion rate

Gifts & Occasions Ad Effectiveness Study Results



Source: Microsoft internal data; results may vary for each advertiser based on campaign settings, targeted audiences, and other factors. Lift metrics represent an average of all advertisers with lift studies done during peak seasonal periods thru Sept 2021. These advertisers may be a non-representative sample of all advertisers on the marketplace. Lift measured between exposed users and a control group of eligible unexposed users, with lift represented on a per-user basis. Average user count per advertiser study = 1.8M



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