



Microsoft Advertising

# Sponsored Products

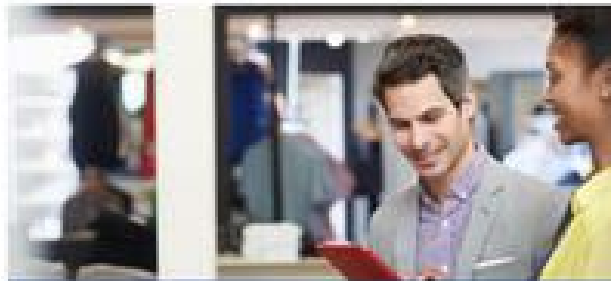
Microsoft Advertising. Intelligent connections.



# E-commerce is the growth engine for retail



**5x** higher  
e-commerce growth  
rate versus in-store<sup>1</sup>



**75%** of retailers  
rank e-commerce  
as a top priority<sup>2</sup>



**51%** of online retail  
sales exist outside of  
the e-commerce leader  
– a meaningful  
opportunity<sup>3</sup>

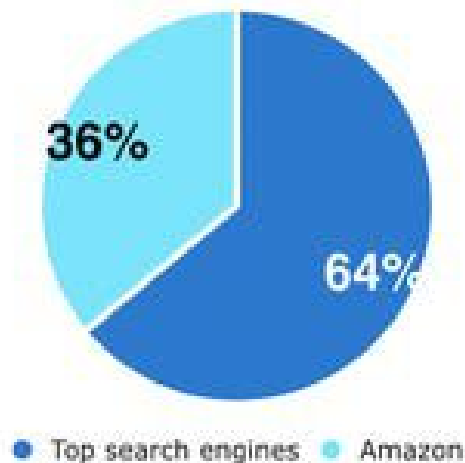
1. "Consumers are feeling good," Kiplinger, August 2018, percentage excludes gasoline and autos, (<https://www.kiplinger.com/article/business/T019-C000-5010-retail-sales-consumer-spending-forecast.html>). 2. "Retail Industry Benchmark Report," SPS Commerce, January 2016. 3. "Top US Companies Based on % of eCommerce Shares," eMarketer, July 2018.



# Consumer behavior differs between search engines and Amazon

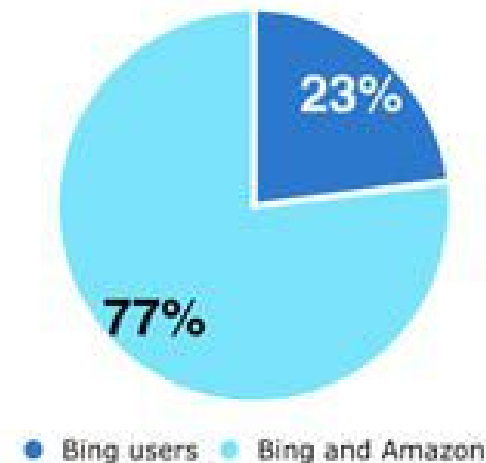
**64% of shopper searches** happen on top search engines vs. 36% on Amazon<sup>1</sup>

Share of shopper searches



**23% of Bing retail searchers** don't visit Amazon<sup>2</sup>

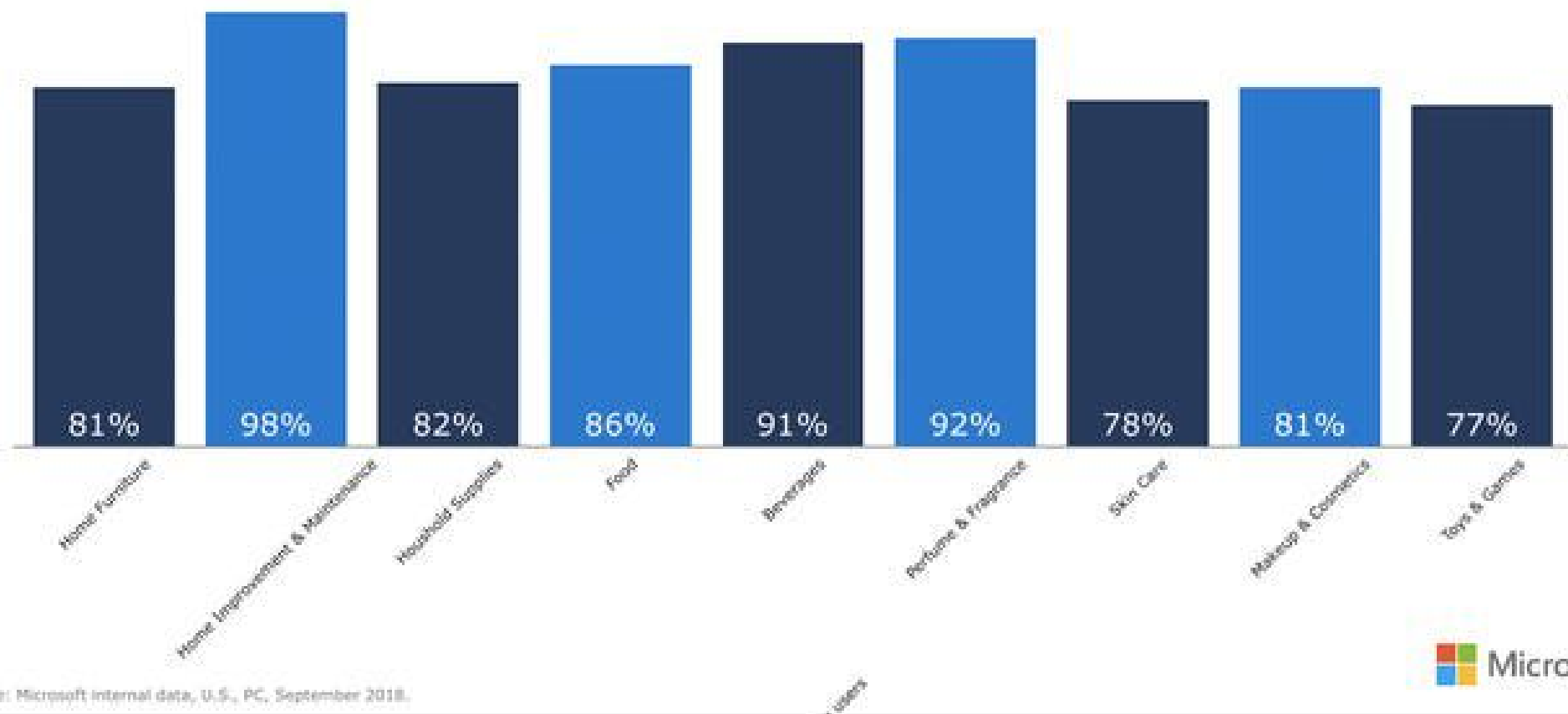
Share of shopping searches



1. comScore data, September 2018. 2. Microsoft internal data, Microsoft Search Network, U.S., September 2018. PC only.

# Shoppers who visit both Amazon and Bing often don't search on the same categories

% of Bing retail searchers who don't search on the same category when visiting Amazon



# Why Microsoft?

## Open & Trusted



### Partner-led company

Microsoft does not have a business interest in competing directly and your data is your data

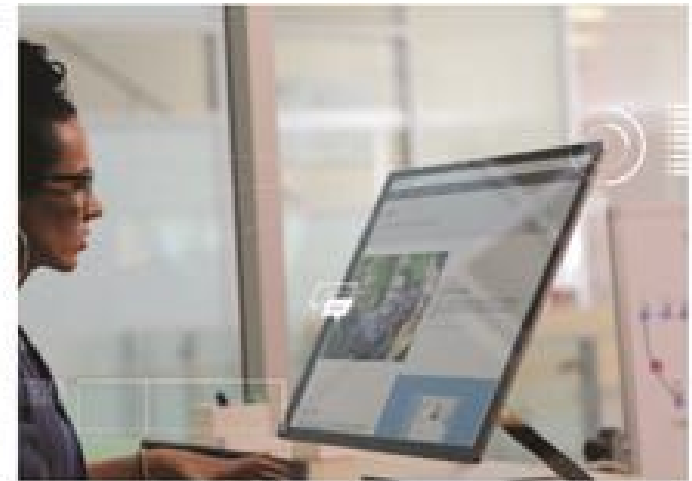
## More Control



### Vast unique dataset

Knowledge from Bing, LinkedIn, Office, and more, on a trusted platform where you're in control.

## Intelligence

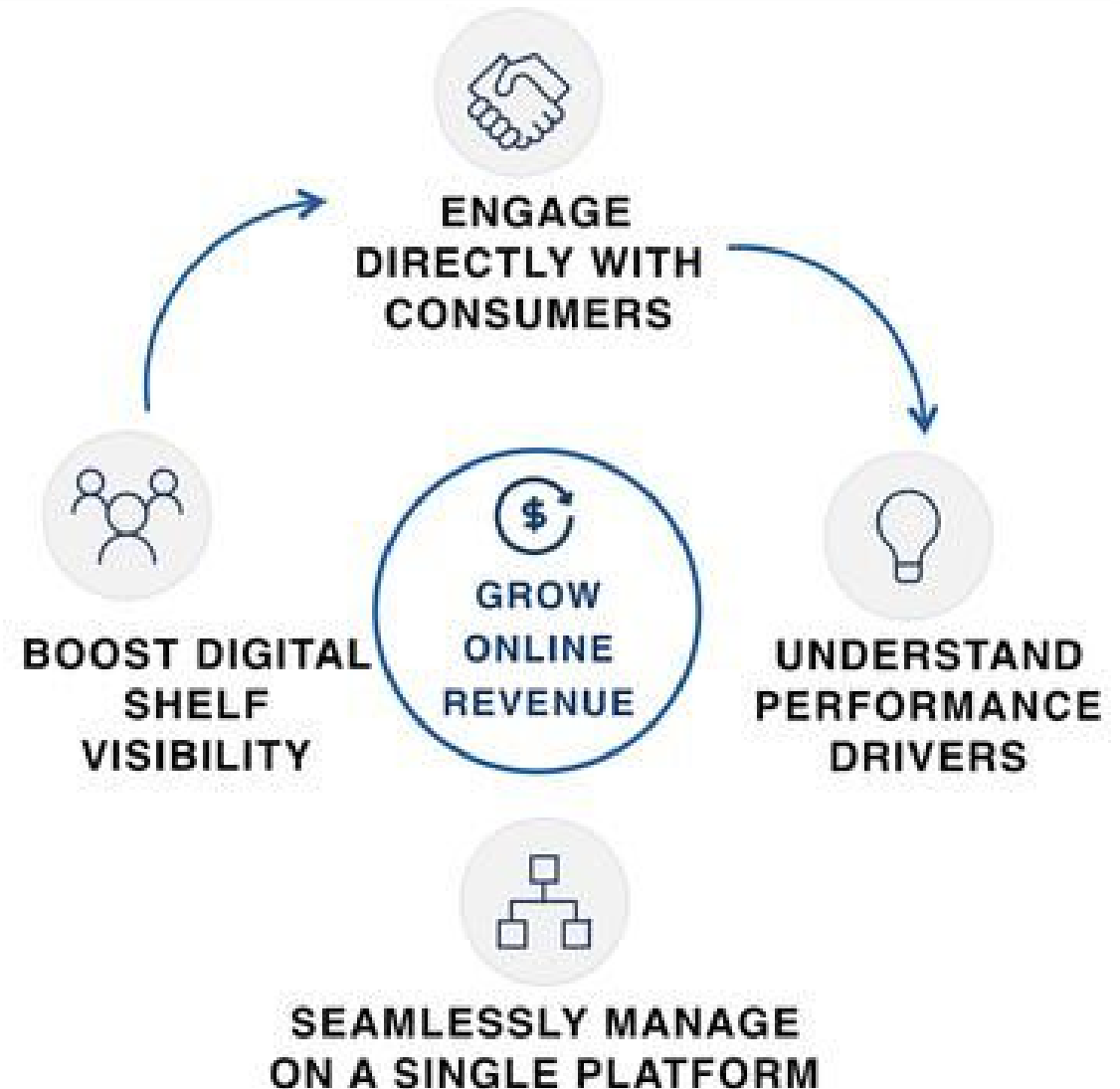


### Power of Bing technology

Bringing shopper understanding and ad monetization engine together to build a robust marketplace



# Introducing Sponsored Products





## Did you know?

3 out of 4

Shoppers use search to discover, research and purchase products<sup>2</sup>

1 in 3

PC searches happen on the Microsoft Search Network<sup>1</sup>

33%

People searching on Bing spend 33% more than the average internet user<sup>1</sup>

1. comScore (eSearch, Exact Core Search (custom), U.S., December 2016. The Bing Network includes Microsoft sites, Yahoo sites (searches powered by Bing) and AOL sites in the United States. Data represents desktop traffic only.

2. Forrester, "The Role Of Search And Social In The Customer Life Cycle", April 2016

# Introducing Sponsored Products

Merchandize your products across the Microsoft Search Network



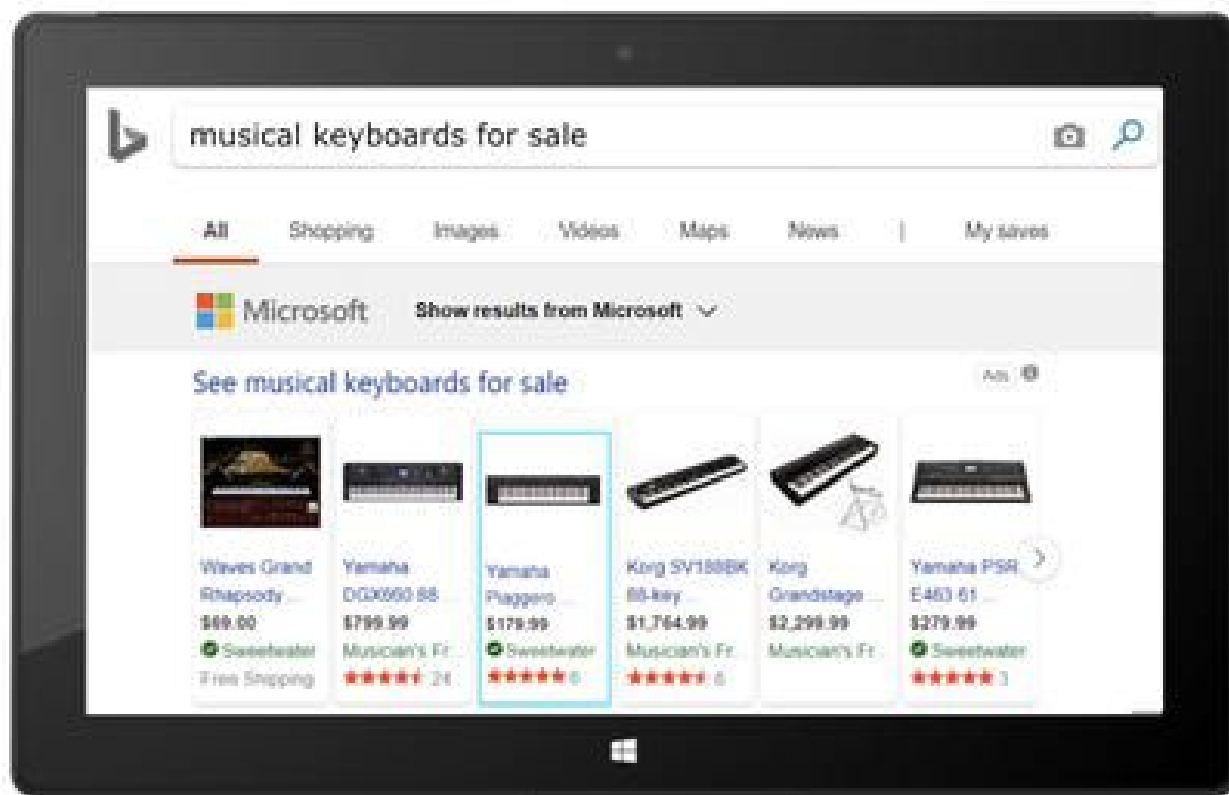
Reach millions of shoppers throughout their purchase journey<sup>1</sup>



Improve your product visibility within search results pages



Increase your online sales with your retailer



TopPitchDeck

# Sponsored Products



Get the opportunity to merchandise your products across the Microsoft Search Network.



Ability to reach  
millions of customers<sup>1</sup>



Positive ROI on  
marketing spend



Visibility into sales  
data for your  
products

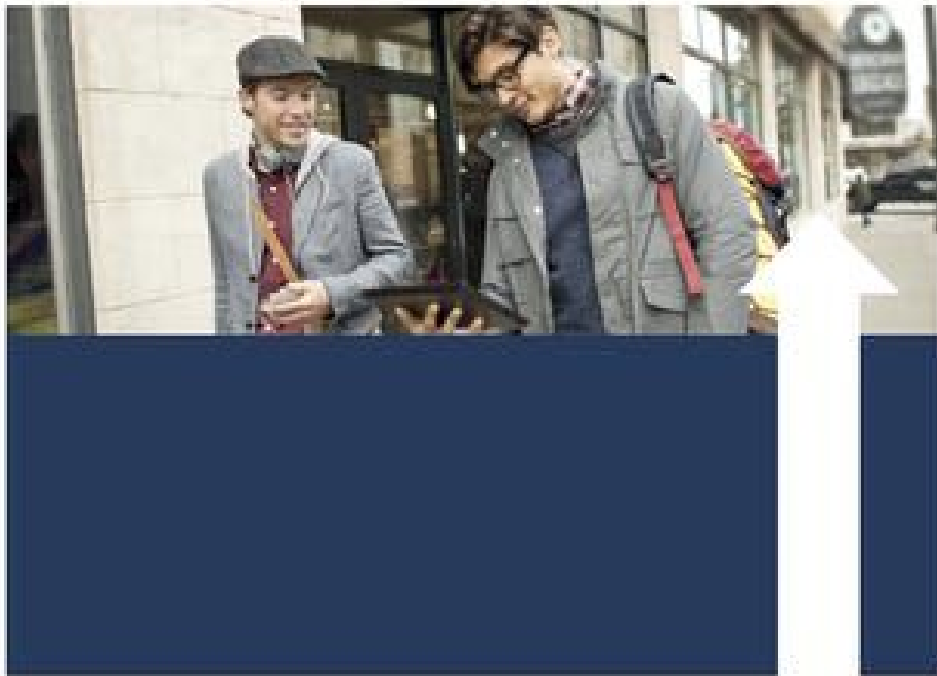
1: comScore qSearch, Explicit Core Search (custom), U.S., September 2018. The Bing Network includes Microsoft sites, Yahoo sites (searches powered by Bing) and AOL sites in the United States. Data represents desktop traffic only.





# Get more traffic and increased exposure with Sponsored Products

Take advantage of your partnership with retailers to drive new clicks and online sales.

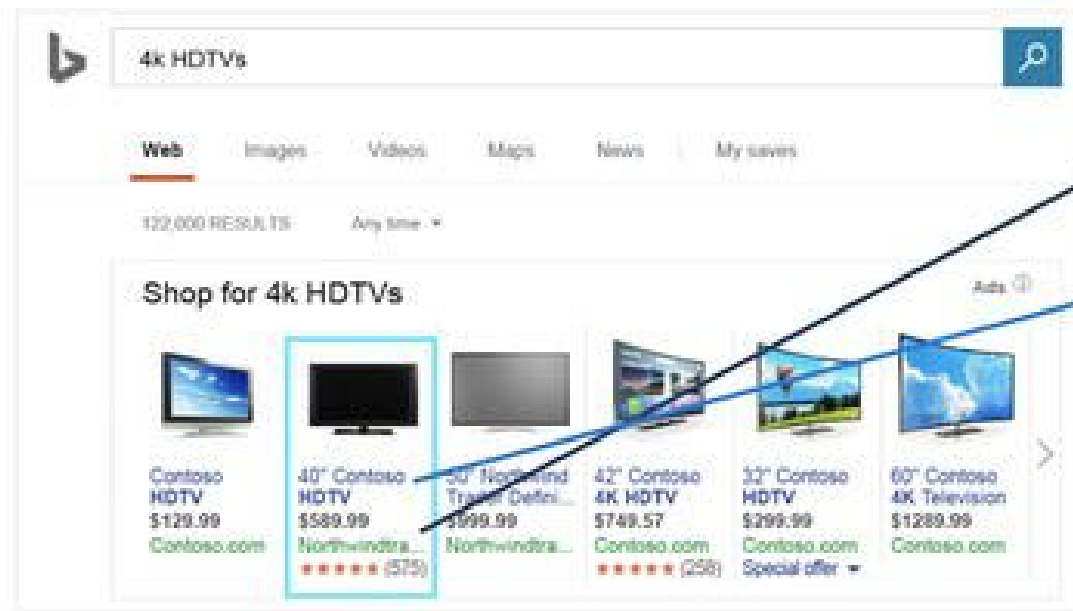


Source: Microsoft internal data, Microsoft Search Network, U.S., 2018.



# Sponsored Products on the Microsoft Search Network

Enable manufacturers to boost visibility and drive more traffic for their top products on retailer's website.



Retailer bid: \$.50



Manufacturer bid: \$1.00

**Total bid \$1.50**



# Example report for Sponsored Products

Merchant product	Title	Impressions	Clicks	CTR	Average CPC	Spend	Conversions
[99877]	Contoso Smooth Oils	59	1	1.69%	1.05	1.05	0
[99892]	Contoso Fully Complete	117	2	1.71%	2.12	4.24	0
[99898]	Contoso Max Care Dry	409	12	2.93%	1.76	15.12	3
[112845]	Repurposed Wheat-Free	557	7	1.26%	2.05	6.75	1
[123910]	Repurposed Wheat-Free	251	6	2.39%	0.93	9.75	0

## What is included in the reports:

- You'll only see the impressions, clicks and conversions you contributed to with co-bidding.
- Only the bid and cost per click (CPC) contributed by you will be included in your reports.

## What information isn't included:

- The combined bid or combined CPC isn't exposed.
- You won't be able to see what your approved retailers are bidding.



# Example report for Sponsored Products

Retailer

Merchant product	Title	Impressions	Clicks	CTR	Average CPC	Spend	Assisted impressions	Assisted clicks	Assisted conversions
[99877]	Contoso Smooth Oils	59	1	1.69%	1.05	1.05	16	1	0
[99892]	Contoso Fully Complete	117	2	1.71%	2.12	4.24	7	0	0
[99898]	Contoso Max Care Dry	409	12	2.93%	1.76	15.12	123	11	4
[112845]	Repurposed Wheat-Free	557	7	1.26%	2.05	6.75	20	6	1
[123910]	Repurposed Wheat-Free	251	6	2.39%	0.93	9.75	54	5	1

## What is included in the reports:

- You'll see all product impressions, clicks and conversions, including those assisted by co-bidding.
- Only the bid and cost per click (CPC) contributed by you will be included in your reports.

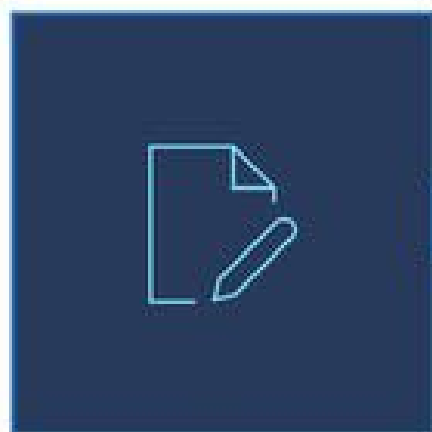
## What information isn't included:

- The combined bid or combined CPC isn't exposed.
- You won't be able to see what your approved manufacturers are bidding.



# Onboarding process for manufacturers

Ready to get started?



1. Provide product list



2. Link to retailer



3. Create Sponsored Products campaigns

- Bing Ads will match products between Retailers and Manufacturers
- Retailers have the flexibility to stop Manufacturers from co-bidding at any time



# Best Practices

## Account setup

1. We recommend creating a new account for your Sponsored Products campaigns.  
This isn't necessary but will make future reporting, optimizations, spend and conversion tracking easier.

## Product group setup — two options

1. Leave the **Product Group** at **All Products**. This means you'll have a single bid boost for all your products.
2. If you have multiple brands, we recommend you break up your **Product Groups** by **Brands**. This will allow you to set different bid-boost percentages.

## Shopping settings

1. Campaign priority: Any campaign priority will work for Sponsored Products; this won't conflict with the retailer's priority settings. Only try to set different values when setting up complex product group structures — this isn't recommended for initial campaigns.
2. Product filters: Don't use product filters. Target all products.

## Bid-boost recommendations

1. If you're a manufacturer with questions about setting up the bid-boost percentages, please reach out to your account team. Your insights manager can provide bidding guidance.





**THANK YOU!**

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