Al in Search and Automation strategies to drive impact

**Kevin Salat** Senior Product Marketing Manager

Microsoft Advertising



#### FRIENDS OF SEARCH 2025

### Presenters





**Kevin Salat** he/him Sr. PMM

Microsoft Advertising Annegret Schubert she/her Channel Owner – PPC

Just Eat Takeaway.com

**Ka-Lam Man** she/her Perf. Marketer

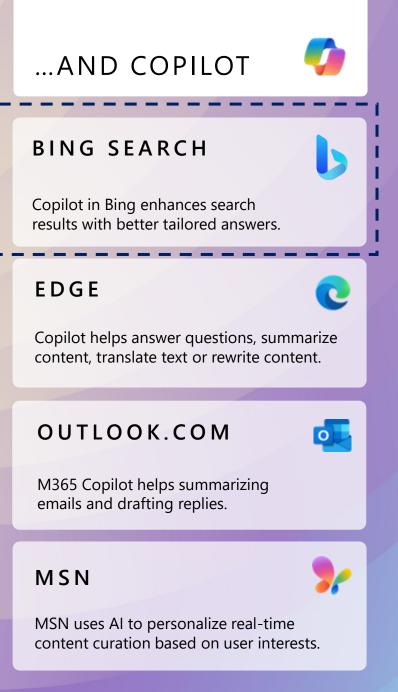
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A rapidly changing landscape

More breadth, more personalization

GENERATIVE AT	
G A M I N G	ACTIVISION, BILZARD'
LINKEDIN	in
PARTNER	

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### Growth of Copilot usage in Bing

140M Daily active users

1.8X

30%

Growth in daily active users Oct 24 to Feb 2025

Nearly 1 in 3 user journeys now include mobile

I like the idea of scuba diving but I can't go out of my way to do it. I'll be in Alexandria for a couple days, is there something I can do there?

Absolutely! Alexandria offers some unique scuba diving experiences that you can enjoy without going too far out of your way. Here are a few highlights:

- Cleopatra's Underwater City: Dive into history by exploring the submerged ruins of Cleopatra's palace, complete with sphinx statues and Roman columns.
- Eastern Harbor: Discover ancient ruins from the pharaohs, Romans, and Greeks near the shore.
- 3. Wreck Dives: For a bit of adventure, you can explore wrecks from the Napoleonic-era Battle of the Nile and even a WWII airplane.

These sites offer a mix of historical significance and underwater beauty, making them perfect for a short visit. Would you like more details on any of these spots? 😊

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Considering you're looking for something easy to schedule and close to Alexandria, I'd have a look at these guided activities from Contoso, Fabrikam and others.

Sponsored ...





. Male

Sharm El Sheikh -

**Discover Scuba** 

with Lunch

Margie's Travel

0

from \$359

Message Copilot

**Diving Yacht Trip** 



Δ

 Real Life Egypt Shore
 Secursions From

 Excursions From
 Sefaga To Luxor Day

 Trip
 From \$324

 Contoso.com
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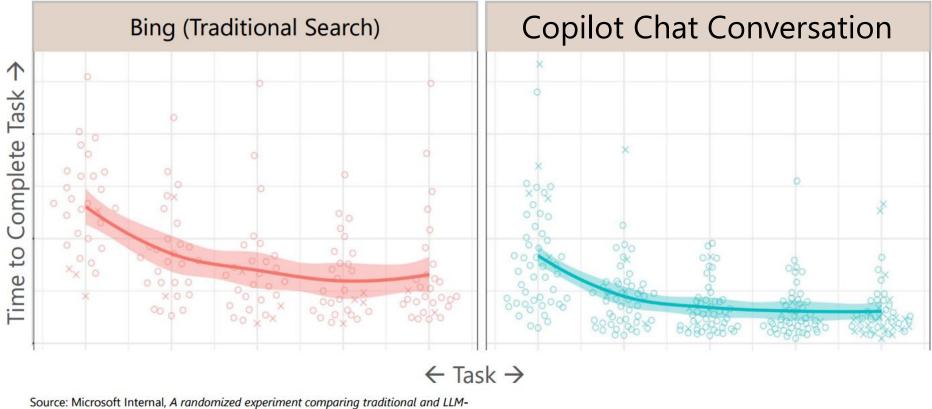
Submerge into the Depths: Discover an Underwater Paradise from \$482 Fabrikam.com

Sharm El Sheikh Scuba Dive - Scuba Diving from \$199 Contoso.com

Microsoft Advertising

#### REIMAGINING ENGAGEMENT

# Users on Chat take about up to half of the time of traditional search to reach a decision.



based search for consumer choice by Sophia E. Spatharioti, David M. Rothschild, Daniel G. Goldstein, Jake M. Hofman



# The user journey shortened just days after the launch of the Chat experience

User Journey	Short Jour (1 search		Long Journey (>6 searches)
PRE 20 days 27 searches	20%	28%	51%

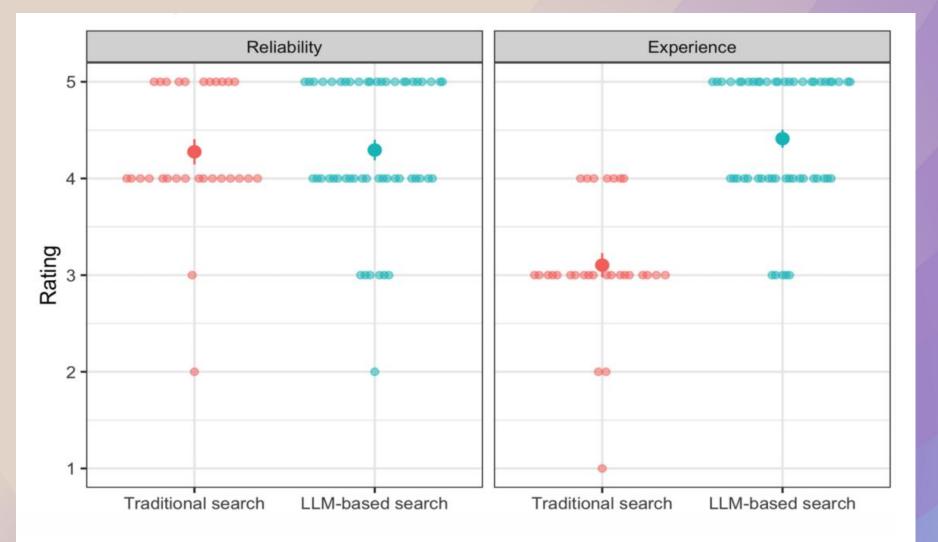


#### REIMAGINING ENGAGEMENT

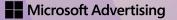
Participants rated both similarly on reliability,

#### but

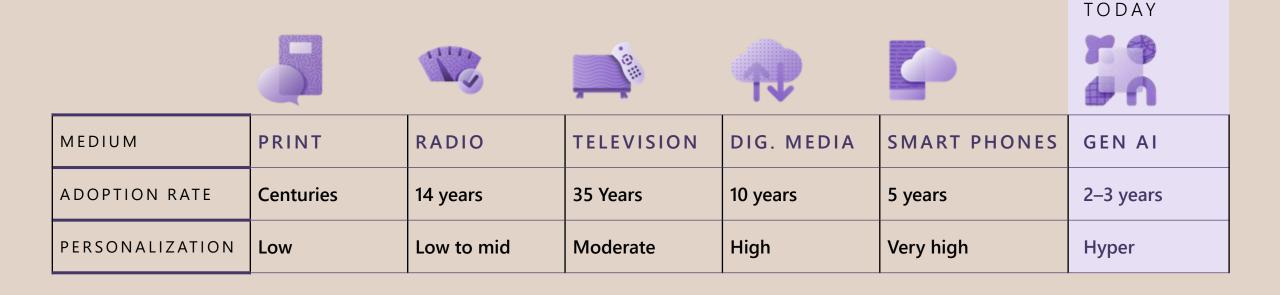
preferred the Chat search experience.



Source: Microsoft Internal, A randomized experiment comparing traditional and LLMbased search for consumer choice by Sophia E. Spatharioti, David M. Rothschild, Daniel G. Goldstein, Jake M. Hofman



### A new medium making hyper-personalization a reality



IMPERSONAL

#### PERSONALIZATION SCALE

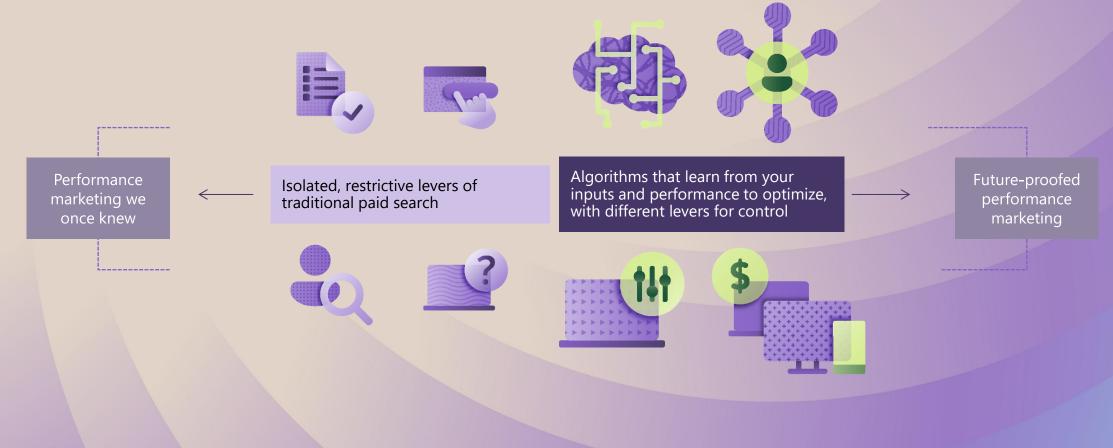
HYPER-PERSONAL

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### The evolving role of performance marketing



### The evolving role of performance marketing



Geo-sync tool and other automation tactics with **JET** (Just Eat Takeaway.com)



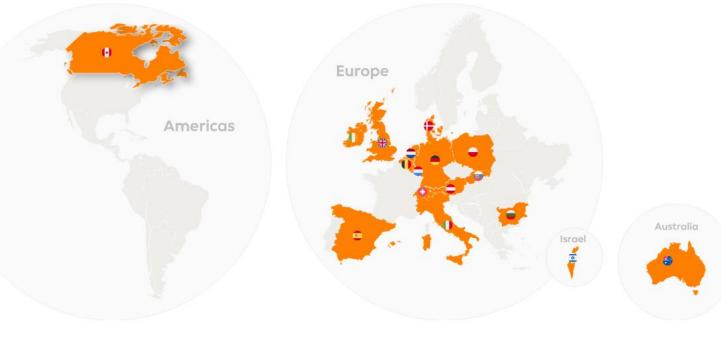




JET: 356,000 partners (restaurants, grocery, retail stores) across 17 countries

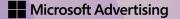






### JET's automation tactics to drive efficiencies





# JET's Geo Sync tool: Revolutionizing precision targeting for localized ad delivery automation



CHALLENGE: LOCALIZED DELIVERY RADIUS

Partners deliver within a limited area

Ads should only reach users within this area

Manual geo-targeting is time-consuming and imprecise

#### SOLUTION: GEO SYNC TOOL

Internally developed with Tool Solutions & Automation teams

Uses **latitude**, **longitude**, and **range** to define delivery zones

Automatically integrates geolocation into campaigns

#### IMPACT: PRECISION & EFFICIENCY

Automates a previously manual process

Ensures highly accurate geotargeting, especially for MSA

Goes beyond platform limitations for better campaign reach UET + platform bidding, intent signals, and Performance Max



### Part 1: Moving from Floodlight + SA360 intra-day bidding to UET + Microsoft Advertising autobidding

### What you miss without UET

Compared to Floodlight via Search ads 360

	Microsoft Advertising What Microsoft Advertising UET provides	Q Search Ads 360 What Google Floodlight via SA360 provides
Conversion tracking	Track conversion data related to Microsoft Advertising across all Microsoft Advertising accounts.	Share conversion data attributed to Microsoft Advertising with all Microsoft Advertising accounts linked to your SA360 sub-manager account.
Audience building	<b>Real-time data</b> for building your audiences UET Required for Remarketing, Dynamic Remarketing, and Similar Audiences.	No data for building your audiences.
Ad personalization	<ul> <li>Personalized ad experiences based on site interactions, including:</li> <li>Remarketing</li> <li>Dynamic remarketing.</li> </ul>	No personalized ad experiences based on site interactions.
Comprehensive attribution	All Microsoft touchpoints available in attribution modeling and conversion reporting (including impressions, video views, etc.).*	Limited touchpoints available in attribution modeling and reporting— only click-based traffic.
Product support	Support for <b>all Microsoft Advertising products</b> , including Performance Max and Audience ads.	Support for many Microsoft Advertising products, <b>but not Performance</b> Max** or Audience ads.
Additional features	<ul> <li>Supports incremental lift analyses to measure ad effectiveness.</li> <li>Supports view-through conversion attribution (for Audience ads bidding).</li> <li>Supports auto conversions to easily detect your site events.***</li> </ul>	No support

\*more information here. \*\* not officially supported \*\*\*coming soon

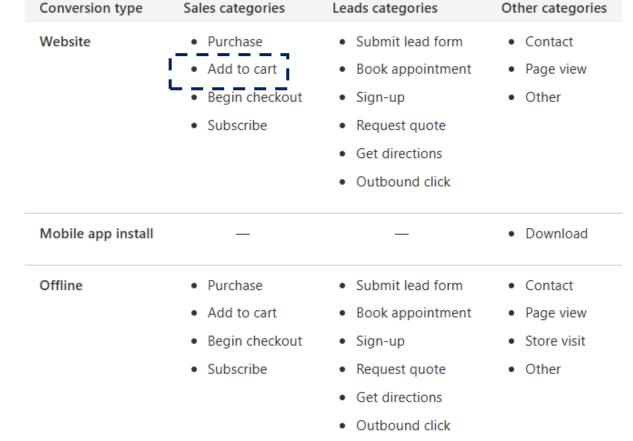
### Bidding solutions available to SA360 customers

Available Solutions In SA360	Must be set-up In Microsoft Advertising	
<ul> <li>SA360 Bidding strategies (intraday)</li> <li>Not real-time; only updates bids every 6 hours (4X/day).</li> </ul>	<ul> <li>Auction-time bidding (Open Beta)</li> <li>Combines imported (Offline) conversion goals and Microsoft Advertising Autobidding.</li> </ul>	<ul> <li>Microsoft Advertising auto-bidding</li> <li>Flexible, advanced bidding tools to save you time and maximize your ad spend.</li> <li>Current automated bidding strategies:</li> </ul>
<ul> <li>Does not allow customers to use Microsoft Advertising bidding solutions beyond eCPC.</li> </ul>	<ul> <li>Bidding is fully managed by Microsoft Advertising while macro-optimizations like targets and budgets are managed by SA360.</li> </ul>	<ul> <li>Enhanced CPC (default)</li> <li>Target CPA/ROAS</li> <li>Maximize Click/Conversions</li> </ul>
<ul> <li>No additional signals shared with Microsoft beyond bids, modifiers, and budgets.</li> </ul>	<ul> <li>Currently in Open Beta and available to all SA360 customers.</li> </ul>	<ul> <li>Target Impression Share</li> <li>Maximize Conversion Value</li> <li>Microsoft controls all aspects of bidding; No data or signals are shared with SA360.</li> </ul>
• Not a recommended option for customers.	<ul> <li>Conversion Source = SA360 Floodlight Data</li> </ul>	<ul> <li>Conversion Source = Microsoft UET</li> </ul>
NOT RECOMMENDED	RECOMMENT	DED OPTIONS

# *Part 2*: Enhancing in-platform bidding with enhanced conversions and micro conversions

If still having low volume for the automation to work with, you can add in **micro conversions** 

### Available conversion goals:



Adding "add to cart" as a secondary micro conversion to serve as an intent signal outside of just purchases



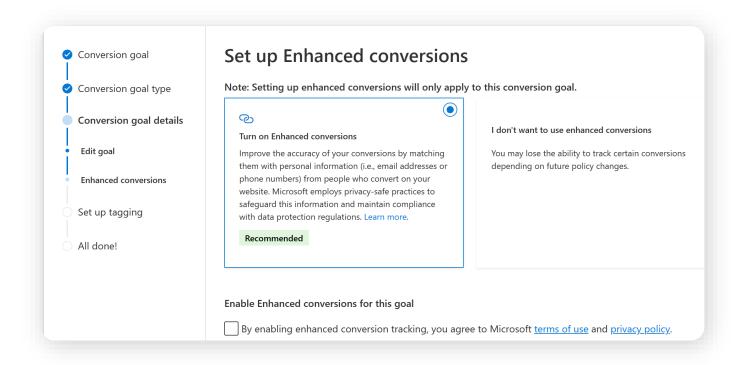
### Supercharge your UET with **enhanced conversions**

Supplements your existing conversion measurement by sending following data to improve match rates

- 1) email addresses
- 2) phone number



### Setting up enhanced conversions:



# *Part 3*: Incremental revenue uplift with **Performance Max**

### Testing MSFT Performance Max



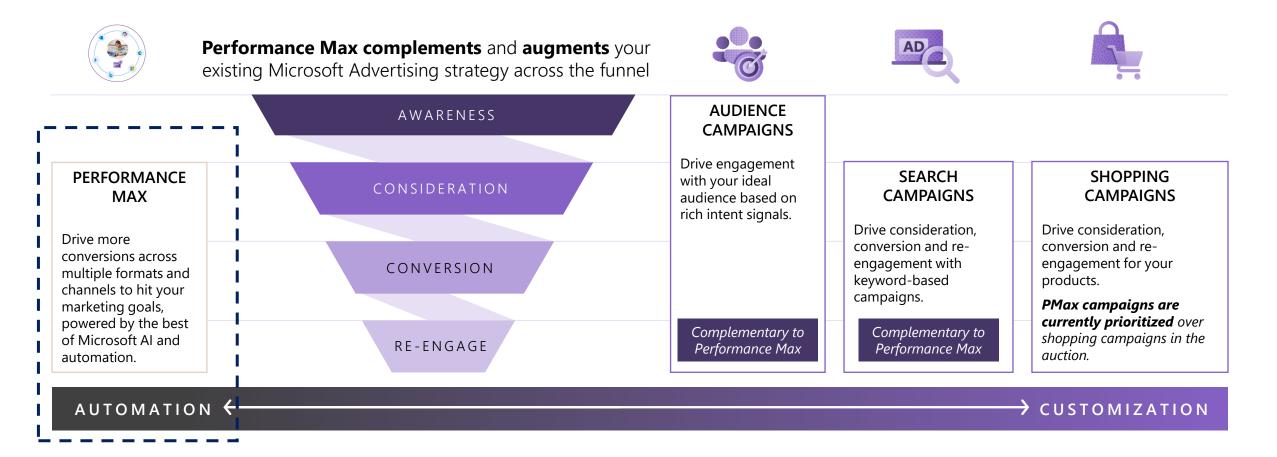
#### PERFORMANCE MAX RESULTS SO FAR

- □ Incremental revenue uplift when Performance Max was set up as an <u>additional campaign</u>
- More consolidated data came together, giving us the opportunity to capitalize on MSA more effectively with less optimization time spent

#### PERFORMANCE MAX LEARNINGS

- Performance Max did not function as a complete catchall campaign, as we noticed we were still missing out in capturing relevant search volume
- □ To set Performance Max up for success, it requires:
  - □ Patience and allowing a sufficient learning period
  - □ A strong budget maintained
  - □ Consistent conversion goals
  - □ Bid strategies with ample signals (+ micro conversions)

### Testing PMax as an addition to your current setup



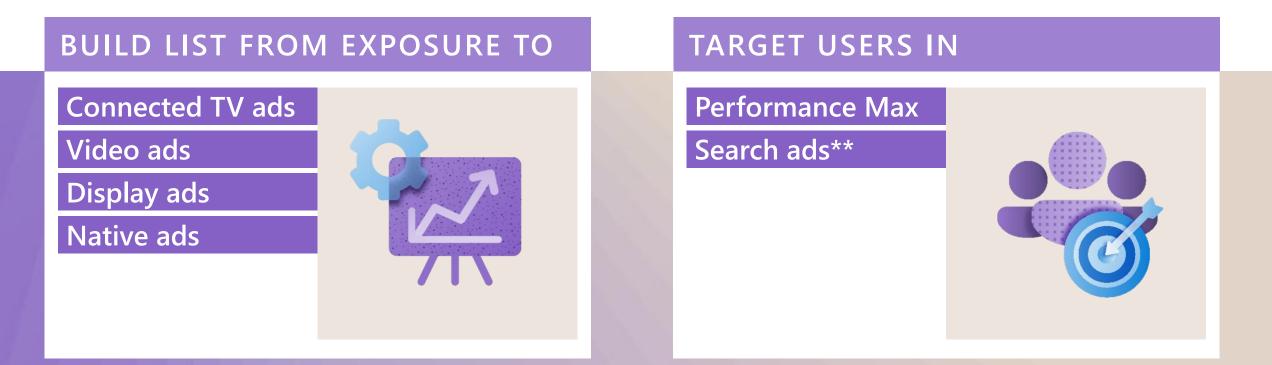
Audience signals unique to Microsoft's Performance Max



1	2	3
In-market audiences by job titles and company size	[ <b>In pilot</b> ] LinkedIn profile targeting by company, industry and job function	Impression-based remarketing to close the loop
	*UK, FR, DE, CH, US, AU, CA, and more markets	

### Using impression-based remarketing in Search and Performance Max campaigns\*

Build remarketing lists based on exposure to your ads.



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\*Support for impression-based remarketing on search campaigns will launch soon. Currently you can only associate impression-based remarketing lists with Audience ads. \*\*Search ads is inclusive of product ads and vertical ads. Advertisers must be in the pilot for performance features on display and video ads. You can build impression-based remarketing lists based on CTV exposure but cannot use the lists to target on CTV.

### Performance Max is also the optimal way to have your ads running on Copilot



#### Text ads

What are the top sushi restaurants near me? I'm looking for something authentic

Here are some top sushi restaurants in Austin that offer authentic and delicious experiences:

- 1. Uchi Austin: Founded by James Beard Award-winning Chef Tyson Cole, Uchi offers nontraditional Japanese cuisine with signature tastings, sushi, and seasonal omakase. It's known for its elevated food and impeccable service.
- 2. Lucky Robot: This is the first sustainable sushi restaurant in Texas, recognized by the James Beard Foundation's Smart Catch Program. They source their ingredients from local farms and cooperatives, ensuring high environmental and sustainability standards.
- 3. Uchiko Austin: Originating from the famed Uchi restaurant, Uchiko specializes in upscale sushi, cool tastings, omakase, and small plates in a farmhouse-chic space. It's another creation by Chef Tyson Cole.

These spots should give you a great start on your sushi adventure in Austin! Do any of these sound like what you're looking for?

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If you want to ensure you get a table at your preferred time, you might want to book a table beforehand. Here's a link from Contoso to help you book your place in top Austin sushi restaurants.

#### Sponsored ...

Book Now on Contoso and Secure Your Spot at Austin's Top Sushi Restaurants.

Reserve with Contoso on Top Sushi Restaurants Contoso.com



I'm attending a party next April and the dress code is "elegant early 2000s", what do you think I could dress like?

Alright, let's channel that early 2000s chic. Think of timeless icons like Gwyneth Paltrow and Kate Moss. Here's the vibe:

- Dresses: Go for a slip dress with delicate straps or a sleek halter-neck dress. Satin or silk fabrics are perfect for that era's elegance.
- Shoes: Strappy heels or delicate sandals to keep it classy and stylish.

Feed-hased ads

· Accessories: Small shoulder bags, chokers, and minimalistic jewelry to complement the look. Maybe even a touch of glitter on the eyes for that subtle glam.

You're going to nail it. Ready to strut down memory lane?

#### Microsoft Advertising

Sponsored

Droce

119.97 \$154

Contoso.com

Here are some inspiring picks for an early 2000s party look in spring. Depending on what you're looking for you can go for colorful and airy, or maybe you prefer a two-piece suit that's more formal

Message Copilot





Satin Kimono Midi **Black and White** Halter Tie Neck Midi Dress Angel. Midi Dross in Plaat \$87 \$122.99 Fabrikam Contoso.com



10

#### Multimedia ads

What vacation rentals would you recommend in Leavenworth?

Leavenworth is such a charming place, like stepping right into Bavaria! Here are a few vacation rentals to consider:

- 1. Icicle Village Resort: A great spot with a nice balance of comfort and amenities. Perfect for families or couples.
- 2. Sleeping Lady Mountain Resort: If you're into eco-friendly stays and a more rustic vibe, this place has cozy cabins and beautiful scenery.
- 3. Pine River Ranch: Offers a more romantic and secluded setting, ideal for couples looking for a quiet getaway.
- 4. Haus Hanika: Right on the river and only a short walk to downtown. It has that authentic Bavarian feel.

Each of these places has its own charm and appeal, depending on what kind of experience you're after. How does that sound?

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Contoso.com may be worth considering; with its unique rentals, easy booking, and verified reviews, you're sure to find the perfect stay in the charming Bavarian village of Leavenworth. Discover your ideal getaway today.

Message Copilot



Book your Hotel in Leavenworth WA online with no reservation costs. Benefit from great rates.

Leavenworth Vacation Rentals | Book with Contoso ps://www.contoso.com

Book Now

# The strong PMax user engagement **doubled** with Copilot in user journeys

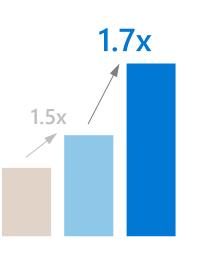


Click Through Rates of Ads in PMax Campaigns and in Copilot

Search Campaigns in User Journeys WITHOUT Copilot Influence

PMAX Campaigns in User Journeys WITHOUT Copilot Influence

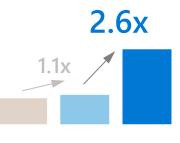
PMAX Campaigns in User Journeys WITH Copilot Influence



Responsive Search Ads

2.8x / 2.3x

Multimedia Ads



### Key automation tactics:



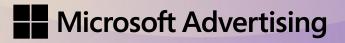
 MAINTAINING UET and
 MOVING AWAY FROM
 SA360 INTRA-DAY BIDDING (INFERIOR OPTION)

ADDING SIGNALS WITH 1) MICRO CONVERSIONS and 2) ENHANCED CONVERSIONS

PERFORMANCE MAX TO EXTEND AND AUGMENT YOUR EXISTING STRATEGY



# Upcoming roadmap



#### FEATURE RELEASES

### Performance Max – catching up to Google capabilities

Feature	Google Ads	Microsoft Advertising
Script support	Available	Now available
Audience insight reports v1	Available	Now available
Asset level conversion reporting	Available	Now available
LinkedIn profile targeting as an audience signal	N/A	Pilot – March 2025
New customer acquisition goal	Available	Pilot – April 2025
Conversion value rules	Available	In pilot / For PMax and other campaign types
Disclaimer support (in native ads as well)	Available	Pilot - Q2 CY2025
Video assets	Available	Pilot - Q2 CY2025

Microsoft Advertising

#### FEATURE RELEASES

### Performance Max – catching up to Google capabilities

Google Ads	Microsoft Advertising
Available	Q1 CY2025
Available	Q2 CY2025
Available	Q2 CY2025
Available	CY2025
Available	Coming in the future
Available	Coming in the future
And more!	
- - -	Available Available Available Available Available

Microsoft Advertising

### Some other upcoming capabilities for H1 CY2025

Feature	Description + Main Benefit	Est. timeline
Automated bidding for vertical ads	Conversion-based bid strategies for vertical ads	Q2 CY2025
Bid strategy and conversion delay reporting	Additional reporting on bid strategies and conversion delays to help better measure performance.	Q2 CY2025
Flexible website URL exclusions for audience ads	Create website URL exclusion lists to prevent delivery of Audience ads on specific sites.	Q1 CY2025
<i>Copilot in the Microsoft Advertising Platform -</i> Performance comparison	Compare performance between two ad groups, campaigns, or campaign types. Compare one campaign or performance metric period over period. Identify top and lowest-performing campaigns, ad groups, ads, and keywords.	Q2 CY2025
Copilot in the Microsoft Advertising Platform – Dynamic keywords and recos	In text asset recommendations for RSA and MMA, Copilot will insert dynamic keyword insertions to help improve relevance. Text asset recommendations for PMax, RSA, MMA, and Audience ads now consider top-performing keywords.	Q1 CY2025

### *Roadmap spotlight*: Showroom ads

First ad experience built specifically for Copilot

Alpha for starting in April or May with a small group of advertisers



#### I'm looking for a new pair of running shoes, what should I look for?

Recommend me some models



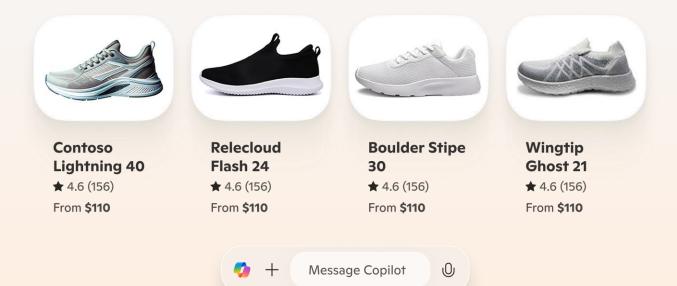
I'm looking for a new pair of running shoes, what should I look for?

#### Recommend me some models

Alright, here are a few top picks for different running styles:

- **1. Contoso Lightning 40:** Reliable for most runners, great cushioning.
- 2. Relectoud Flash 24: Known for its plush comfort, perfect for long runs.
- 3. Boulder Stipe 30: Offers excellent support, ideal if you need more stability.
- 4. Wingtip Ghost 21: Balanced and soft, perfect for road running.

Any of these sound like your next running partner?



#### Tell me more about the contoso one

The Contoso Lightning 40 is a favorite for a reason. It's got responsive cushioning, making each step feel springy. The upper is breathable, keeping your feet cool even on long runs. Plus, it has a secure yet flexible fit thanks to the Soft technology, which keeps your foot stable without restricting movement.

Perfect for runners of all levels, from casual joggers to marathoners. Tempted yet?

📕 Microsoft Advertising · Ads never influence Copilot responses

The Contoso Lightning 40 offer the latest running technology focused on performance. Explore Contoso's experience with Copilot to find out more.

#### SHOWROOM ADS

8 Contoso

Learn more about Contoso Lightning 40 top running tech

Explore with Copilot





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#### Contoso B Microsoft Advertising · Sponsored

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#### Lightning 40 Features

#### **MADE FOR RUNNING**

The Contoso Lightning 40 is engineered for runners seeking a reliable and highperforming shoe. The sole features Contoso foam, which provides a responsive, cushioned feel that adapts to your stride, ensuring a smooth and comfortable run. The durable rubber outsole offers excellent traction and grip on various surfaces, making it a versatile choice for different running conditions. Whether you're logging miles on the pavement or hitting the trails, the Contoso Lightning 40 is designed to support your running goals with confidence and comfort.



Is this sole really as good for running as it is described?

The Contoso Lightning 40 is a favorite for a reason. It's Johersslova Suber Contons of, ightning 40 has preceived spined/retrieves d/isits is the subscript of the subscript o

or fun as some other running shoes. 1 Perfect for runners of all levels, from casual joggers to Werath your fike for find we from about its specific features, or perhaps compare it with another model?

contosorunningshoes.com

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Contoso Microsoft Advertising · Sponsored



**MADE FOR RUNNING** 

The Contoso Lightning 40 is engineered for runners seeking a reliable and highperforming shoe. The sole features Contoso foam, which provides a responsive, cushioned feel that adapts to your stride, ensuring a smooth and comfortable run. The durable rubber outsole offers excellent traction and grip on various surfaces, making it a versatile choice for different running conditions. Whether you're logging miles on the pavement or hitting the trails, the Contoso Lightning 40 is designed to support your running goals with confidence and comfort.



features a breathable mesh upper and Contoso+ technology for a secure and omfortable fit. The midsole is equipped with soft foam and air units, providing esponsive cushioning and excellent energy return. The durable rubber outsole ith a waffle pattern ensures reliable transitioned pollar, tongue, and heel counter add extra Is this sole really as good for running as it is described?

The sole of the **Contoso Lightning 40** has received **mixed reviews**. While it's praised for its durability and grip, some runners find it **a bit "slappy"** and lacking in energy return compared to other models. It's designed to be a stable, daily trainer, so it might not feel as lively or fun as some other running shoes. 1

Would you like to know more about its specific features, or perhaps compare it with another model?

contosorunningshoes.com

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#### **SOLE FEATURES**

**63** 

**Grip and Traction:** The waffle-pattern outsole provides reliable grip on dry and slightly damp surfaces. It's great for urban settings, paved trails, and tracks.

**Durability:** Nike's rubber compound is known for its durability on the Pegasus line, so the outsole generally holds up well over time, even with regular road use.

Contoso

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**Flexibility and Responsiveness:** The React foam in the midsole is responsive and flexible, which can help with stability on slightly uneven surfaces.



Buy \$99

Is this sole really as good for running as it is described?

The sole of the **Contoso Lightning 40** has received **mixed reviews**. While it's praised for its durability and grip, some runners find it **a bit "slappy"** and lacking in energy return compared to other models. It's designed to be a stable, daily trainer, so it might not feel as lively or fun as some other running shoes.

Would you like to know more about its specific features, or perhaps compare it with another model?

1 contosorunningshoes.com

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Is ti How does this model compare as i to my current Contoso Flash 7?

#### **CUSHIONING AND COMFORT**

#### **Contoso Lightning 40**

Features contoso foam in the midsole, providing more responsive cushioning and a bit more energy return. This foam offers a soft, yet springy feel, making it a popular choice for longer runs and those seeking a more cushioned ride.

#### Contoso Flash 7

Features a soft foam midsole that provides a balanced level of cushioning for daily, easy runs and casual use. The foam is plush enough to absorb impact over shorter distances, offering a comfortable, cushioned feel underfoot.





Pressolestione Confossel 19 Atta Age 40

mixed reviews. Will Eit's praised for its durability and

Feature	Lightning 40	Flash 7	in ed

to be a stable, dailរាវតុខាតុខ, winhit mightinot ifragl as lively Cushioning or fun as some othfermeriding shoes.softer feel

Weightyou like to the we more about hight becific features,

or perhaps comp Stability	are it with anothe More stable, better for faster runs ashoes.com	r model? Less stable, better for easy runs
Durability	High	Moderate
Price	Higher	More affordable
Best For	Daily training, medium to long runs	Shorter, easy runs, daily training

**Contoso Lightning 40** is designed for those who need a bit more support and stability, making it great for longer runs and faster paces. On the other hand, **Contoso Flash 7** is lighter and softer, ideal for shorter, easier runs.

Does this help you decide which one might be better for your needs?

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Buy \$99

## Thank you

