Key takeaways and solutions to maximize your budget

NRF’s annual graduation gift survey shows how consumers have been increasing the amount spent on graduation each year.

Use this opportunity to promote and meet consumer demand: Responsive Search Ads will automatically produce and serve many ad variations to show the most relevant ad to each potential customer.

This year’s graduation presents a giant opportunity for photo cards; forecast predicts searches to rise by an average of 204% and clicks by an average of 258%.

Target key customers with your first-party data by implementing Customer Match or find curated lists of users found to be in-market for your purchase category with In-market Audiences.

Custom/engraved jewelry trends show an increase in searches and clicks at the end of April. Forecasts predict searches to rise by an average of 48% and clicks by an average of 103%.

Use Shopping Ads to reach consumers searching for custom/engraved jewelry at the end of April. After set up, you can include Ad Extensions to highlight your offerings even more.
NRF’s annual graduation gift survey shows how consumers have been increasing the amount spend on graduation each year\(^1\)

<table>
<thead>
<tr>
<th>Year</th>
<th>Per person expected graduation gift spend</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>$0.00</td>
</tr>
<tr>
<td>2010</td>
<td>$20.00</td>
</tr>
<tr>
<td>2011</td>
<td>$40.00</td>
</tr>
<tr>
<td>2012</td>
<td>$60.00</td>
</tr>
<tr>
<td>2013</td>
<td>$80.00</td>
</tr>
<tr>
<td>2014</td>
<td>$100.00</td>
</tr>
<tr>
<td>2015</td>
<td>$120.00</td>
</tr>
<tr>
<td>2016</td>
<td>$140.00</td>
</tr>
<tr>
<td>2017</td>
<td>$160.00</td>
</tr>
<tr>
<td>2018</td>
<td>$180.00</td>
</tr>
<tr>
<td>2019</td>
<td>$200.00</td>
</tr>
<tr>
<td>2020</td>
<td>$220.00</td>
</tr>
<tr>
<td>2021</td>
<td>$240.00</td>
</tr>
</tbody>
</table>

32% Plan on buying gifts for high school and college graduates

$119.4 Average expected spending

$5.9B Total expected spending

Top 5 gifts for graduation

Cash  Card  Gift card  Apparel  Electronics

Apparel, cards, and gift cards are among top trending gifts for graduation. Use this opportunity to promote and meet consumer demand: Responsive Search Ads will automatically produce and serve many ad variations to show the most relevant ad to each potential customer, increasing conversions +7% on average\(^2\).

Source: 1. NRF’s Annual 2021 Graduation Spending Survey, conducted by Prosper Insights & Analytics. The 2021 survey of 7,971 U.S. adults 18 and older was conducted May 3-11 and has a margin of error of plus or minus 1.1 percentage points.

2. Microsoft Internal data from 2/9/21-4/10/21
Graduate and undergraduate programs should ramp in mid to late April. Forecast predicts searches to rise by an average of 30% for graduate and 16% for undergraduate programs.

Pro Tip: Gain New Customers searching for graduate and undergraduate programs, Microsoft Education In-Market Audiences convert 4.9x when consumers are in the Consideration phase.¹

Source: Microsoft Internal Data; Solid light purple shows actual metric. Dash light purple line is the expected forecasted metric. The expected % changes by week are in reference to week 9 of the 2022 calendar year. ¹ Microsoft Internal data
Gift cards should ramp at the end of April and May

Searches are expected to rise by an average of 50% and clicks by an average of 36%

Gift cards search trends and forecast

- Searches are up 26% YoY

Gift cards click trends and forecast

- Clicks are up 8% YoY

Source: Microsoft Internal Data; Solid light purple shows actual metric. Dash light purple line is the expected forecasted metric. The expected % changes by week are in reference to week 9 of the 2022 calendar year.
This year’s graduation presents a giant opportunity for photo cards

Forecast predicts searches to rise by an average of 204% and clicks by an average of 258%

Pro Tip: Target key customers with your first-party data by implementing Customer Match or find curated lists of users found to be in-market for your purchase category with In-market Audiences.

Source: Microsoft Internal Data; Solid light purple shows actual metric. Dash light purple line is the expected forecasted metric. The expected % changes by week are in reference to week 9 of the 2022 calendar year.
Maximize budgets for custom/engraved jewelry as online volumes rise

Jewelry engraving search trends and forecast

Trends show an increase in clicks and searches at the end of April and forecasts predict searches to rise by an average of **48%** and by an average of **103%**.

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

Source: Microsoft Internal Data; Solid light purple shows actual metric. Dash light purple line is the expected forecasted metric. The expected % changes by week are in reference to week 9 of the 2022 calendar year. 1. Microsoft internal data, Microsoft Search Network, U.S., 2016 vs. 2017
Searches for dresses will be higher compared to previous three years. Searches are expected to rise by an average of 6%.

As graduation season approaches, people start shopping for graduation dresses as soon as possible. To create the best graduation outfits, they want to find the right graduation dress to build their look around.

Gain New Customers shopping for dresses! Microsoft Retail In-Market Audiences convert 4.7x when consumers are in the Consideration phase.\(^1\)

Source: Microsoft Internal Data; Solid light purple shows actual metric. Dash light purple line is the expected forecasted metric. The expected % changes by week are in reference to week 9 of the 2022 calendar year. 1. Microsoft internal data. 2. College Fashion, 30 Incredibly Cute Graduation Dresses for 2022, collegefashion.net
Grow your audience by providing the right message as volumes rise

- **Beer** impressions are expected to rise by an average of 14%
- Clicks are expected to rise by an average of 23%
- Click through rate is expected to rise by an average of 20%

- **Snack food** impressions are expected to rise by an average of 3%
- Clicks are expected to rise by an average of 7%
- Click through rate is expected to rise by an average of 10%

As graduation parties become top of mind for consumers, beer and snack food searches are expected to rise by an average of 28% and 9%.

Responsive Search ads adapt your text ads to closely match what someone is searching for, increasing clicks +17% on average.¹

Source: Microsoft Internal Data; Solid light purple shows actual metric. Dash light purple line is the expected forecasted metric. The expected % changes by week are in reference to week 9 of the 2022 calendar year. ¹ Microsoft internal data from 2/9/21-4/10/21
Focus your marketing on the customers most likely to convert

Top gifts by region

- Apparel
- Card
- Cash
- Electronics
- Gift Card
- Other

Source: NRF's Annual 2021 Graduation Spending Survey, conducted by Prosper Insights & Analytics. The 2021 survey of 7,971 U.S. adults 18 and older was conducted May 3-11 and has a margin of error of plus or minus 1.1 percentage points.

Pro Tip: Multimedia ads 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. Combine with Location Targeting and showcase your products to nearby shoppers with Local Inventory Ads.
Top searched queries for the past three years

2019

- graduation party
- custom t shirts graduation
- teddy bear graduation
- custom bobblehead graduation
- college gifts graduation
- graduation gift
- dresses graduation
- white dresses graduation

2020

- virtual graduation
- graduation party
- yard signs graduation
- decorate car graduation
- graduation gift
- car decorations graduation
- cap gown graduation
- white dresses graduation
- lawn signs graduation

2021

- graduation party
- white dresses graduation
- graduation gift
- yard signs graduation
- virtual graduation
dresses graduation
- backyard graduation party
- outdoor graduation party
- white dress graduation

Pro Tip: Expose new emerging search trends and themes with Dynamic Search Ads and Broad match. Try ad customizers in order to save time and serve more relevant ads.

Source: Microsoft Internal Data; Top queries sorted by SRPVs, 04/2019 – 06/2021
Reach users across both search and native platforms this Graduation 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

+3.9x visitation rate vs. only search ad exposure

+8.2x conversion rate vs. only search ad exposure
To get actionable data, insights and best practices to help make decisions and grow your business, visit MicrosoftAdvertising.com/Insights