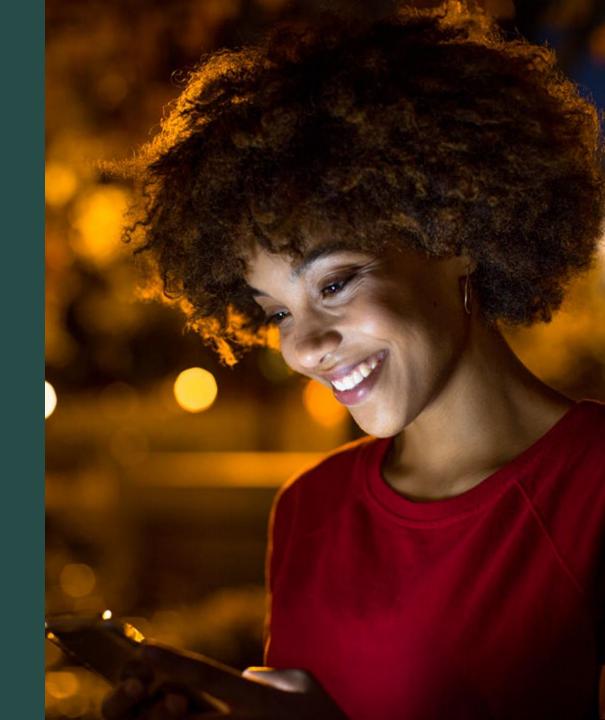
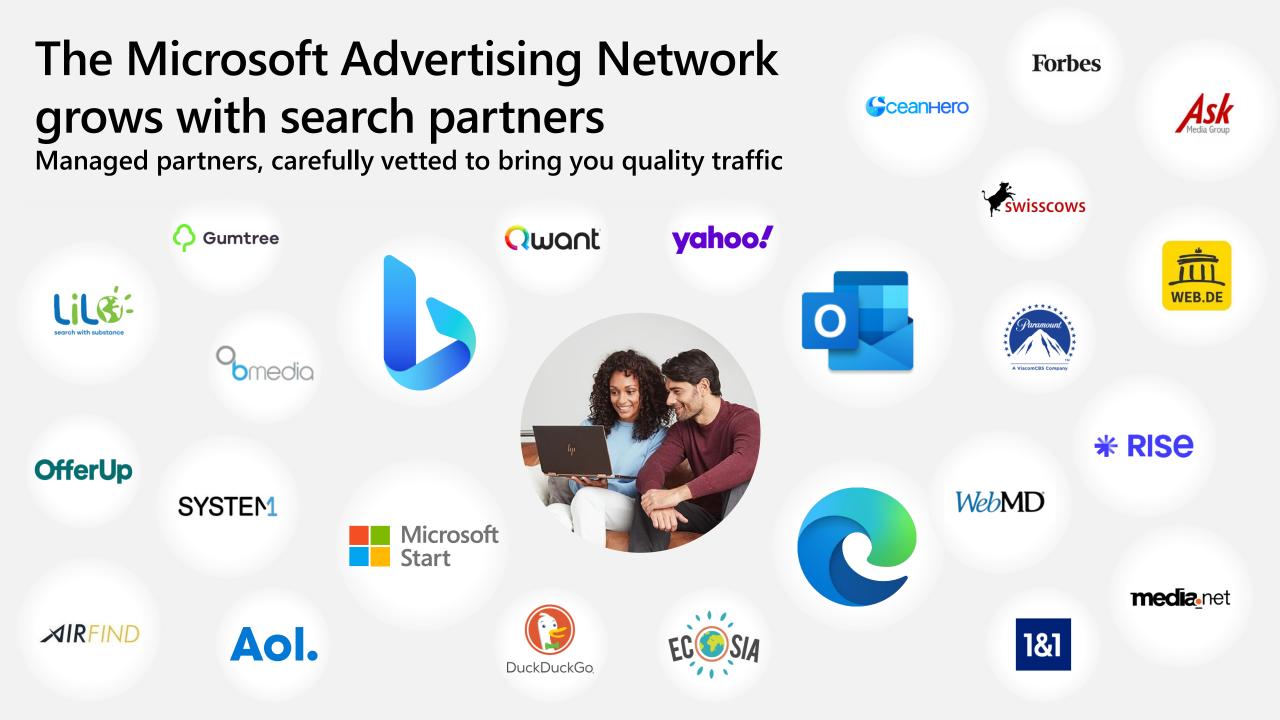
# Changes in ad distribution

Finding the best click in every journey





## Our goal: finding the best click in every journey Consumer behavior is dynamic, and our publishers unlock more conversions and ROI



# Updated ad distribution options

Note – This view is for clients running search partners only campaigns. Clients that do not run search only campaigns will not see the new "Only syndicated partner traffic" option.

#### Ad distribution 🕥

Where on the internet do you want to show your ads?



All search networks (Bing, AOL, and Yahoo search and syndicated search partners)

This option includes native ads in Bing. Learn more

- Bing, AOL, and Yahoo search (owned and operated) only
  - This option includes native ads in Bing and only applies to websites in certain locations.
- Bing, AOL, and Yahoo syndicated search partners only

This option only applies to websites in certain locations. Learn more

#### The entire Microsoft network (recommended)

This option includes Microsoft sites and additional partner traffic for extended reach and lower cost-per-click. Learn more

#### Microsoft sites and select partner traffic

This option includes Microsoft sites and select partner traffic with performance and conversion rates similar to Microsoft Bing's. Learn more

#### Only partner traffic

This option can provide extended reach and lower cost-per-click. Learn more

All options include search and audience ads. Learn more

### Current

New

# Learn more page (help page)

#### The entire Microsoft Advertising Network (recommended). This option includes:

- Microsoft sites (Microsoft Bing, MSN, and Outlook.com).
- Select partner traffic with ad performance and conversion rates similar to Microsoft Bing's, such as traffic from Yahoo.com. <u>Learn more about Microsoft Bing Network traffic</u>. *Note*: Because these sites are reported in aggregate, you cannot see individual reports for each domain.
- Additional partner traffic (including Microsoft Bing and Yahoo search partners, such as Ask.com, Forbes, and others) for extended reach and lower cost-per-click. <u>Learn more about Microsoft Bing Network traffic</u>.

*Note*: We recommend this option because it can extend your ad reach, drive conversions, and provide a lower cost-per-click. You can also see which syndicated partners extend your campaign's reach by running your Website URL (publisher) report (available on the **Reports** page). You can then use the Exclusions feature to exclude specific sites that you don't want your ads to run on. To learn more, see <u>How to prevent your ads from showing to certain people</u>.

#### Microsoft sites and select partner traffic. This option includes:

- Microsoft sites (Bing, MSN, and Outlook.com).
- Select partner traffic with ad performance and conversion rates similar to Microsoft Bing's, such as traffic from Yahoo.com. Learn more about Microsoft Bing Network traffic.

*Note*: Because these sites are reported in aggregate, you cannot see individual reports for each domain.

# Explaining the changes

# What changes

- The new option 'Microsoft sites and select traffic' adds partner traffic that performs similarly to Microsoft Bing. These sites and apps will be reported in aggregate together with Microsoft sites, just like Yahoo.com is today.
  - What does it mean for partner traffic to qualify for the Select tier? Two key criteria for eligibility:
    - 1. Traffic from the partner performs consistently well (similar to Bing) for <u>all</u> advertisers for several weeks, and meets our KPIs for volatility and advertiser ROI.
    - 2. Partner has adopted our new, advanced quality controls that allows Microsoft to directly manage it based on better signals and better technology.
- Since very few advertisers opted to run campaigns only on search partners, we are removing this option for everyone who doesn't use it.

# What doesn't change

- We will continue to provide detailed domain performance reporting and domain exclusions for search partners used to extend the reach of your campaigns.
- Search partners only campaigns will still be available for advertisers who use it today. It will also remain available via Editor and API.
- The entire Microsoft network is the best option for maximizing the amount of conversions and getting lower cost per click on average.

Adoption of a Javascript or a bundled telemetry solution will then allow MSFT the control and visibility to properly manage the traffic just like we do with O&O today: monitoring quality, alerting, online penalization, etc.

# Impact or action required

## The vast majority of advertisers will have no impact and there's no action required

What will happen	Clients already running campaigns on the entire network	Clients who were running campaigns on Microsoft and Yahoo owned & operated only	Clients who were running syndicated search partners only
New ad distribution setting on TBD Date	The entire Microsoft network	Microsoft sites + select traffic	<ul> <li>Search partners for extended reach only</li> </ul>
Functional differences	<ul> <li>No functional changes</li> <li>Domain exclusions will continue to take effect</li> <li>Domain reporting to appear as it does today:</li> <li>Detailed reporting for extended reach search partners</li> <li>Aggregated reporting for Microsoft sites and select traffic</li> </ul>	<ul> <li>Select traffic from partners will be reported in aggregated together with Microsoft sites, similar to how Yahoo sites are today</li> </ul>	• No changes
Volume impact	• No changes	• Will receive additional select partner traffic from sites with similar performance to Bing. This additional volume will vary from client to client, but is expected to be minimal, less than 5% increase in most cases	No changes

# **Protecting Traffic Quality**

How we deliver on quality: Our promise is to find the best click, wherever they are. To do this, we have created advanced quality controls to ensure Select partner traffic meets the same standards as our Owned & Operated traffic.

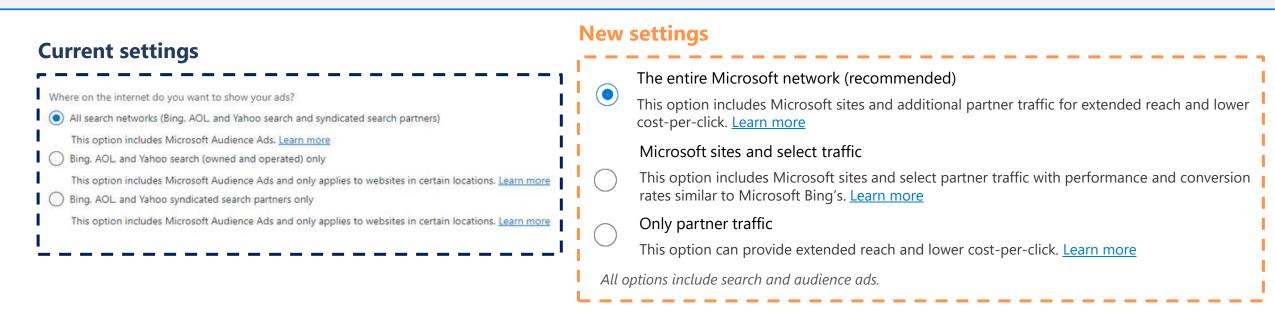
Advanced Traffic Controls	Quality Monitoring	Select Tier
We've worked to empower our search supply partners with new, advanced quality controls. Partners that adopt these tools <b>and</b> meet our quality criteria will become eligible to have their high-quality search traffic in the new Select tier.	<ul> <li>Partner traffic &amp; ad units are monitored to ensure Select partner traffic is consistently performing like our O&amp;O traffic.</li> <li>Key KPIs include: <ul> <li>Volatility</li> <li>Advertiser ROI &amp; conversion metrics</li> <li>User engagement on advertiser landing page</li> </ul> </li> </ul>	The result is an expanded Select tier with O&O like traffic.

Updated ad distribution settings inclusive of multi-channel management

# Ad distribution updates

3

For advertisers that are both in the new ad distribution rollout *and* multi-channel management



#### Things to know

Ad distribution settings apply to both search and audience ads. This can be managed in ad group settings.

- 2 For now, there is no **select traffic** from publisher partners on the audience network; however, it may be promoted to select in the future.
  - The **only partner traffic** campaign option will only be available for campaigns that are currently running them.
  - The audience ad bid modifier is being deprecated as part of multi-channel management.

## Updates to reporting in phase 1 experience\*

Example table of updated reporting for network and ad distribution

#### Current Website URL (publisher) report

#### New Website URL (publisher) report

Campaign	Website URL	Network	Ad Distribution	ł	Campaign	Website URL	Network	Ad Distribution
Contoso	Bing and Yahoo! Search Properties Only	Bing and Yahoo! search	Search	ł	Contoso	Microsoft sites and select traffic	Microsoft sites and select traffic	Search
Contoso	forbes.com	Syndicated Search Partners	Search	į	Contoso	forbes.com	Search partners	Search
Contoso	msn.com	Audience	Audience	j.	Contoso	msn.com	Audience	Audience

\*These updates reflect changes to the **search network reporting only**. Updates for the audience network are still to come.

Thank you

