

EFFWORKS
GLOBAL
2020



A New Way to
Track
Consumer
Demand

18 November 2020

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System1

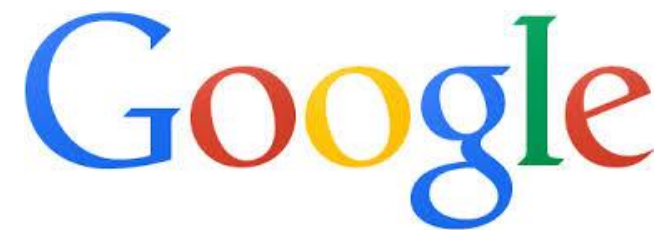
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adam&eveDDB°

part 1: share of search as a brand metric

Les Binet
head of effectiveness
adam&eveDDB



The world's biggest database of human intentions

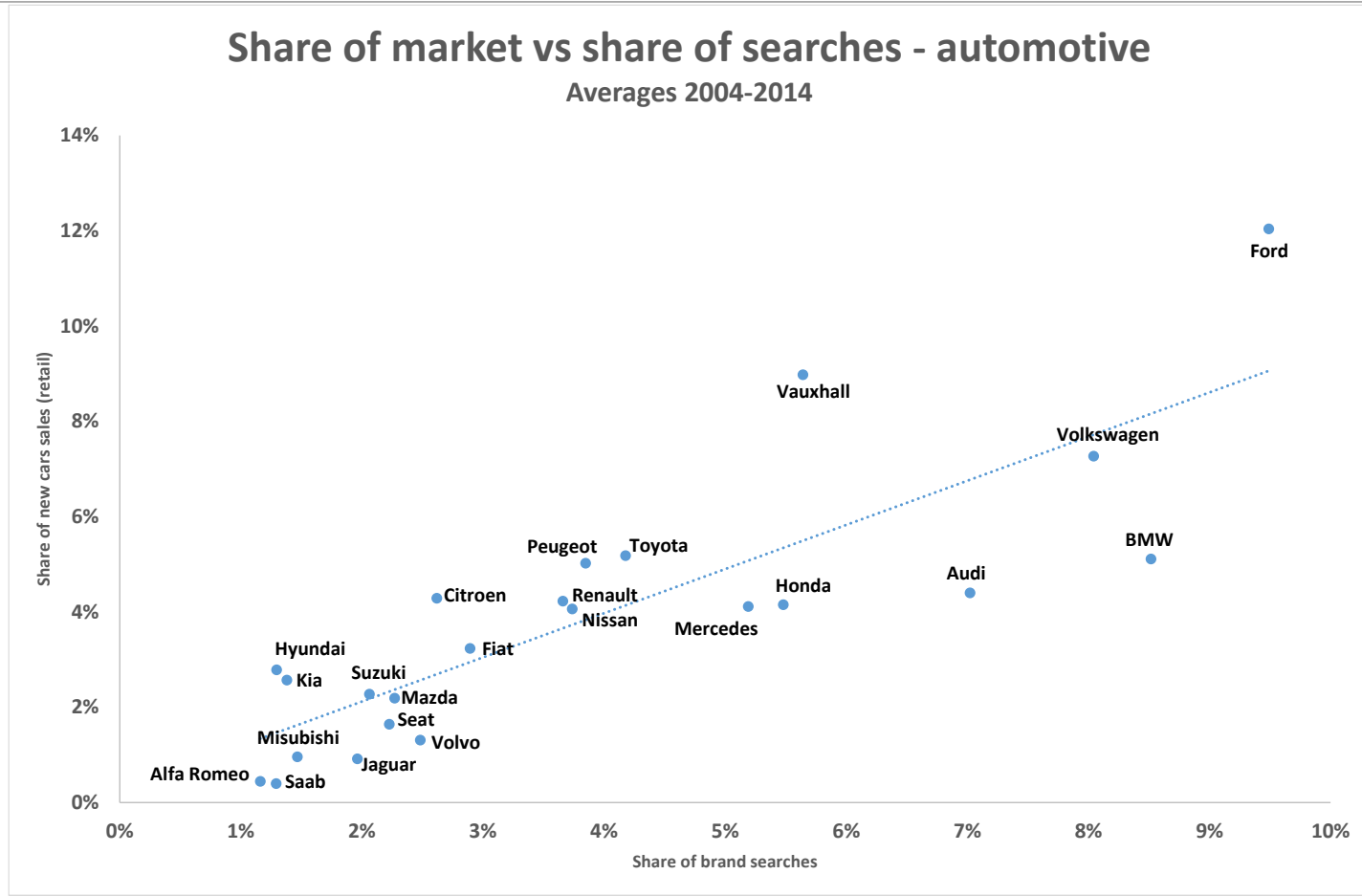
a new metric: share of searches

$$\textit{Share of searches} = \frac{\textit{searches for brand } x}{\textit{searches for all brands in category}}$$

we looked at three categories



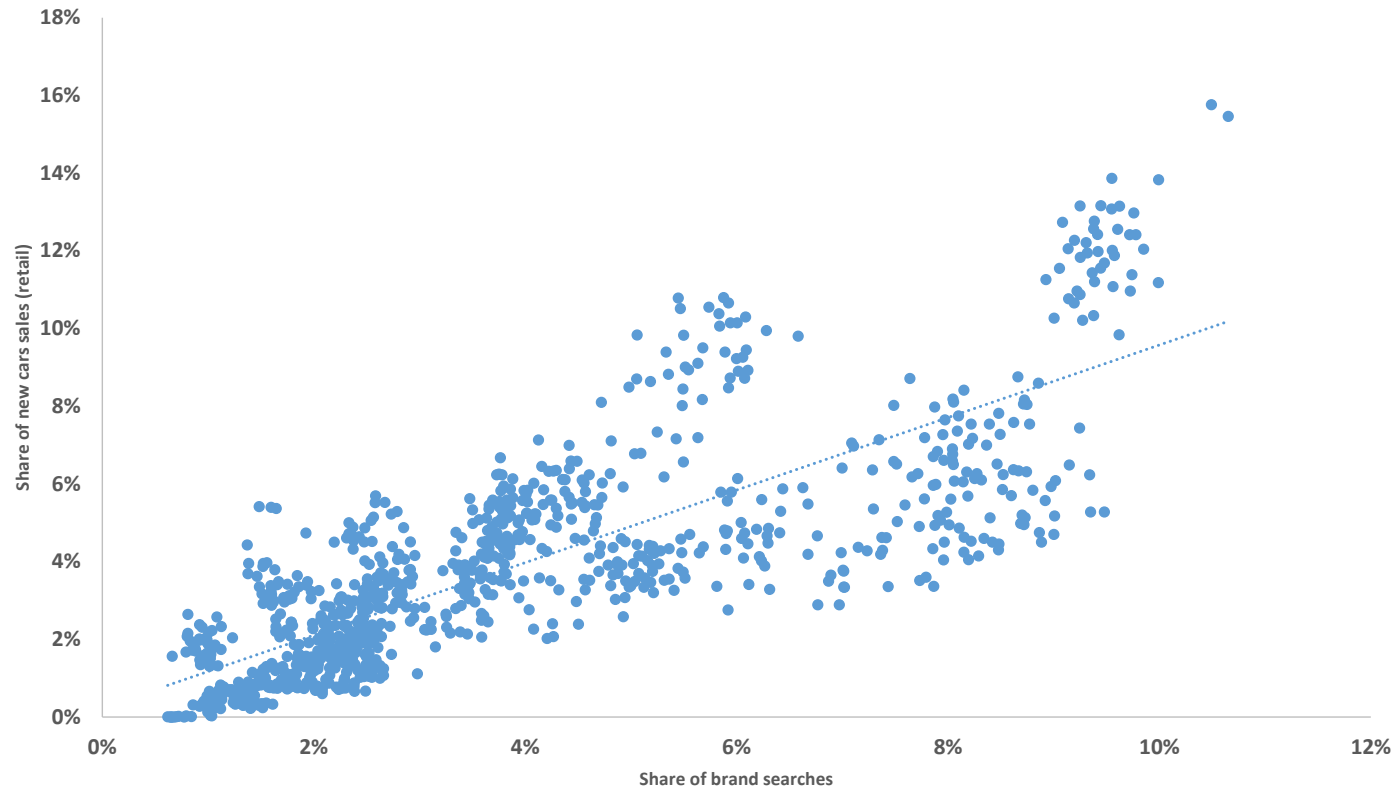
share of searches correlates with market share in all three categories



pooling data for many brands yields a huge dataset for econometrics

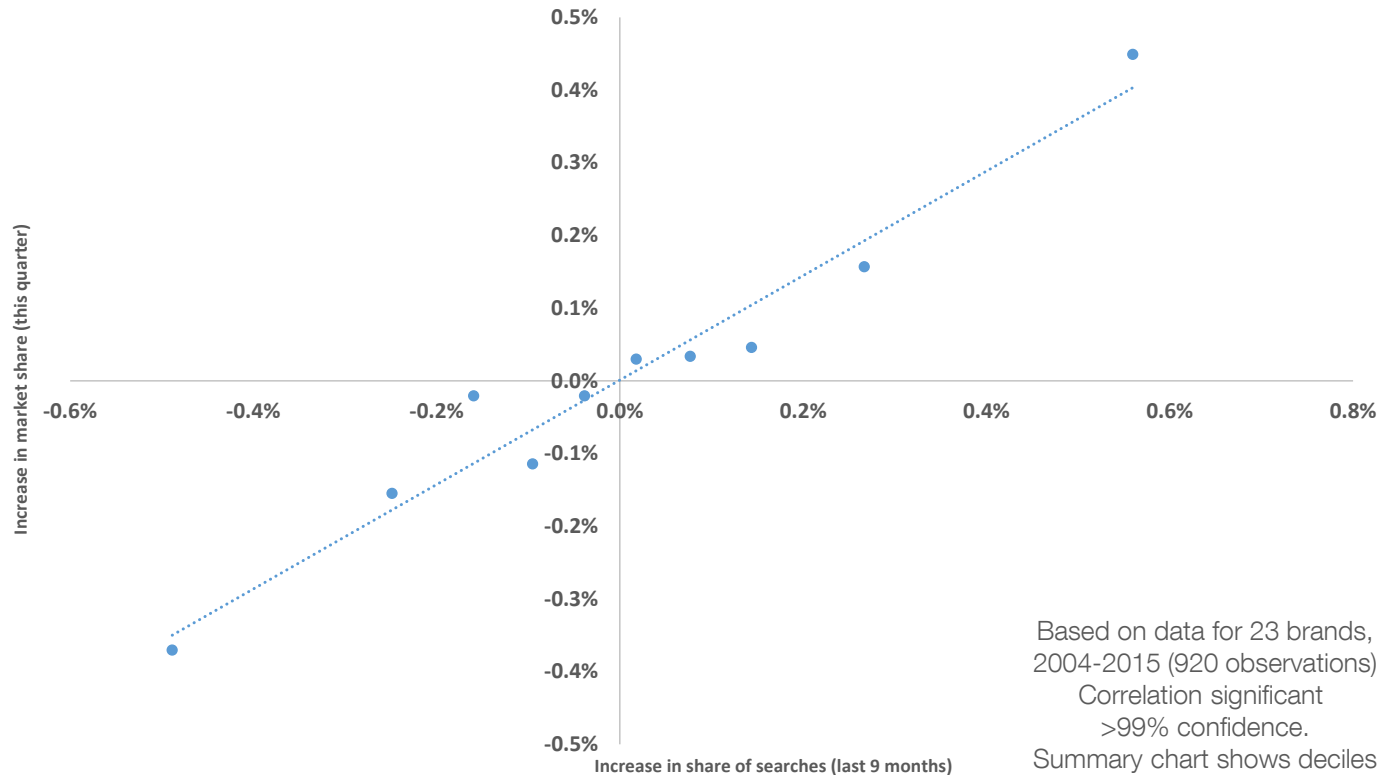
Share of market vs share of searches - automotive

Pooled quarterly data, 23 brands, 2004-2014

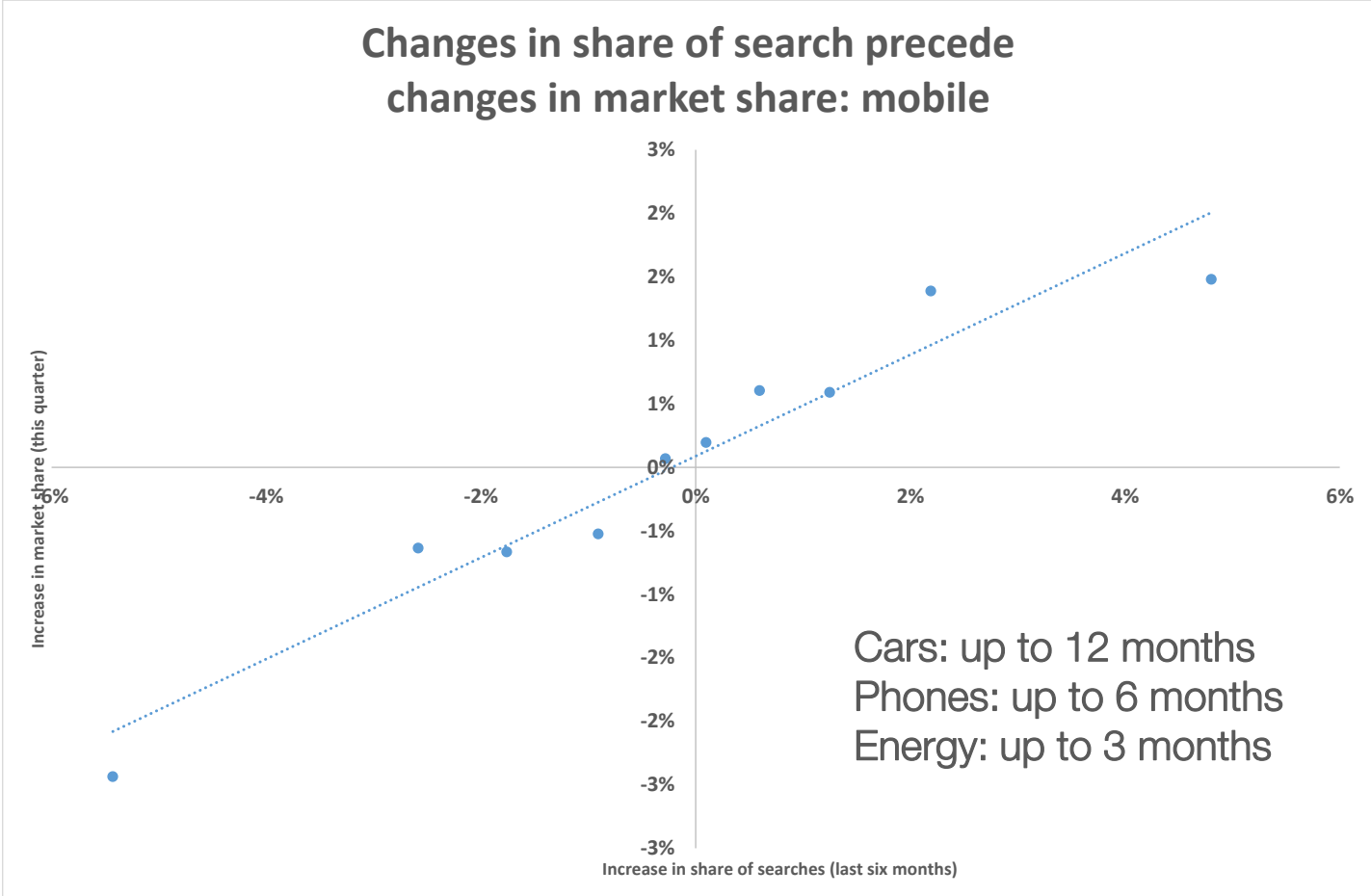


econometrics shows that share of searches is a leading indicator

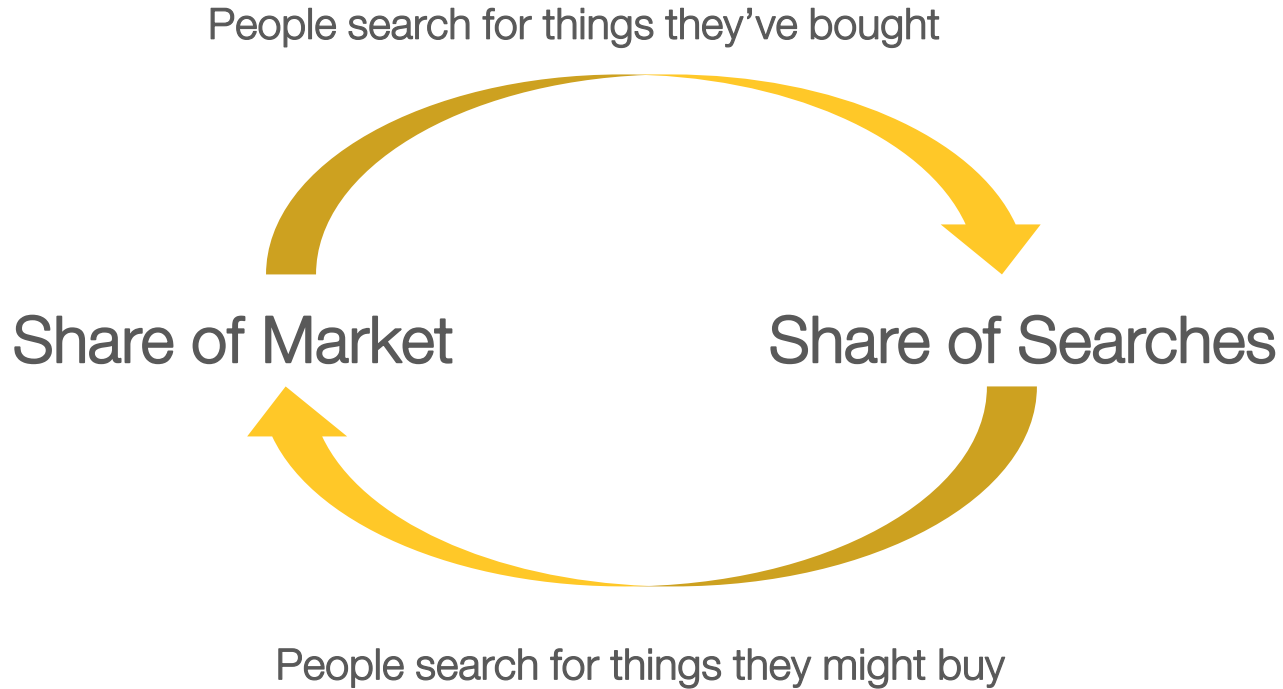
Changes in share of search precede changes in market share: automotive



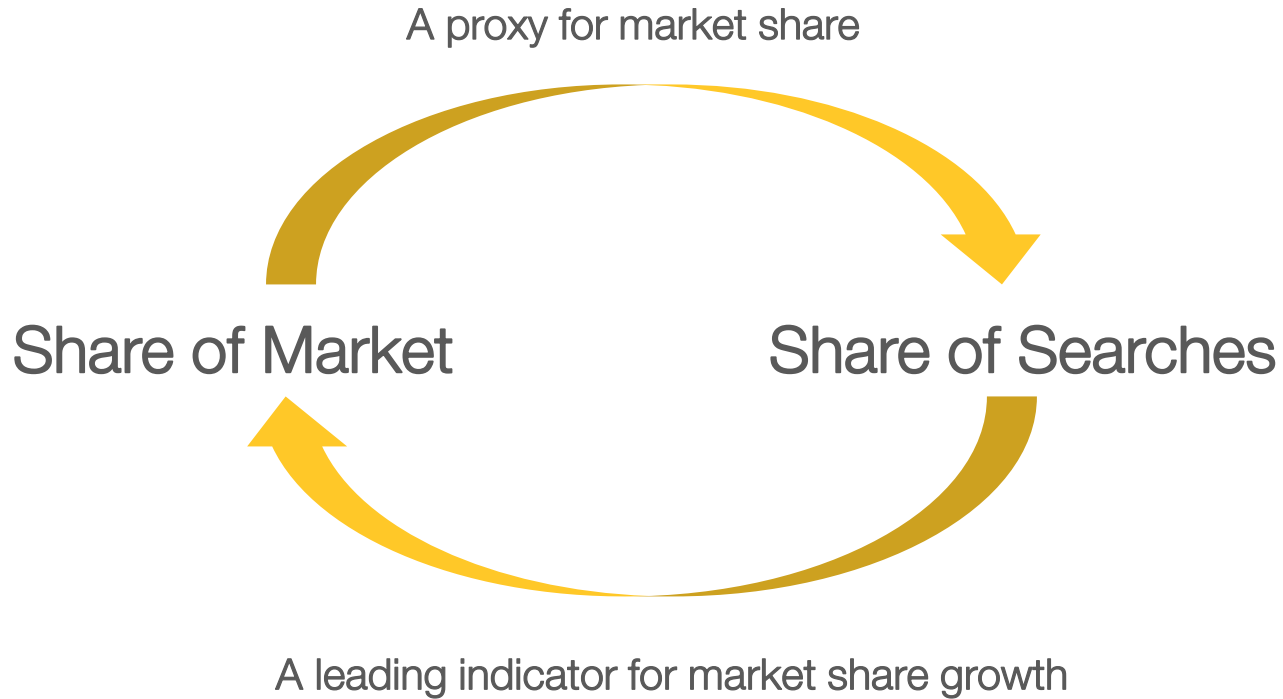
lead times can be quite long



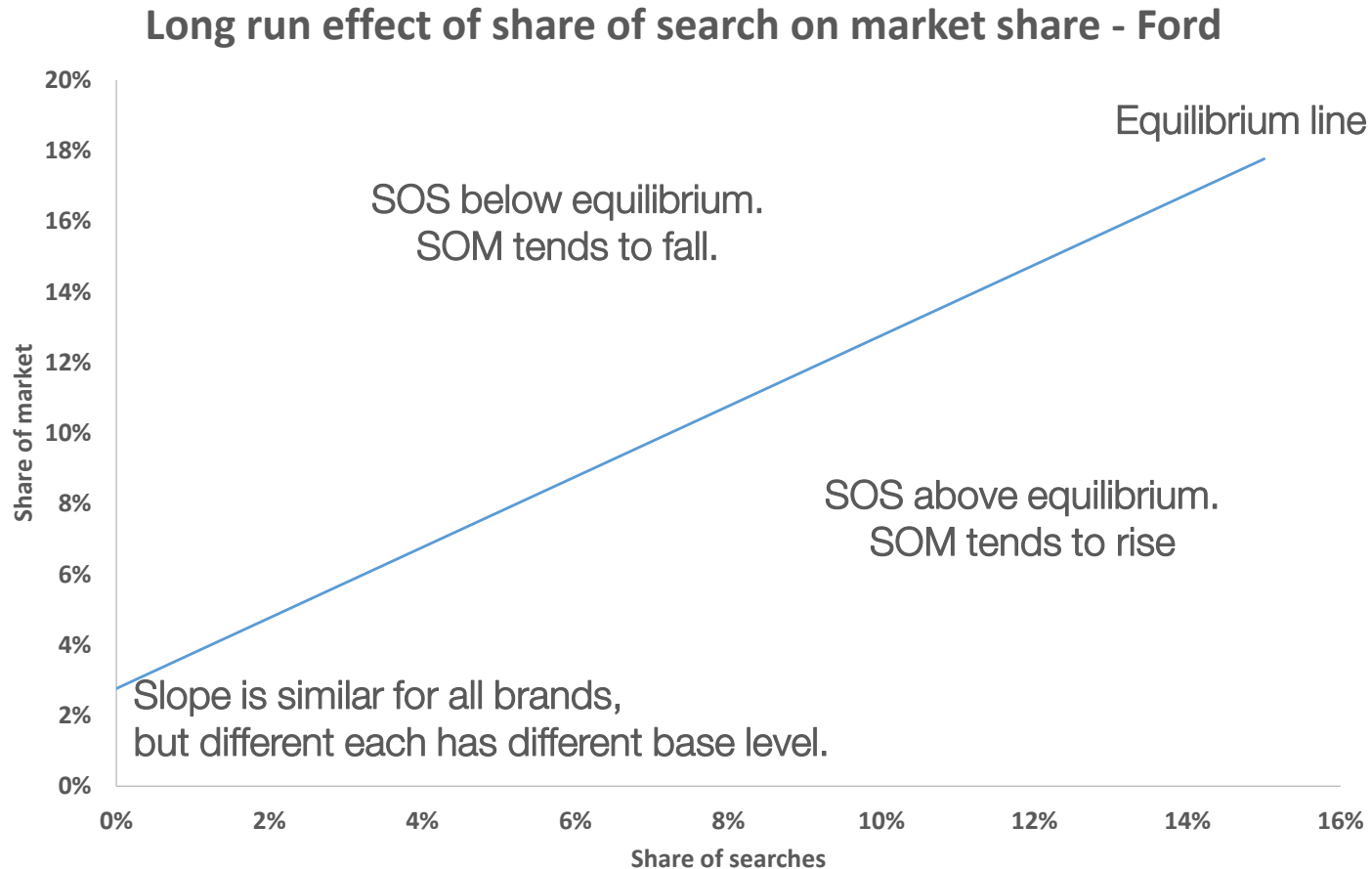
the relationship goes two ways



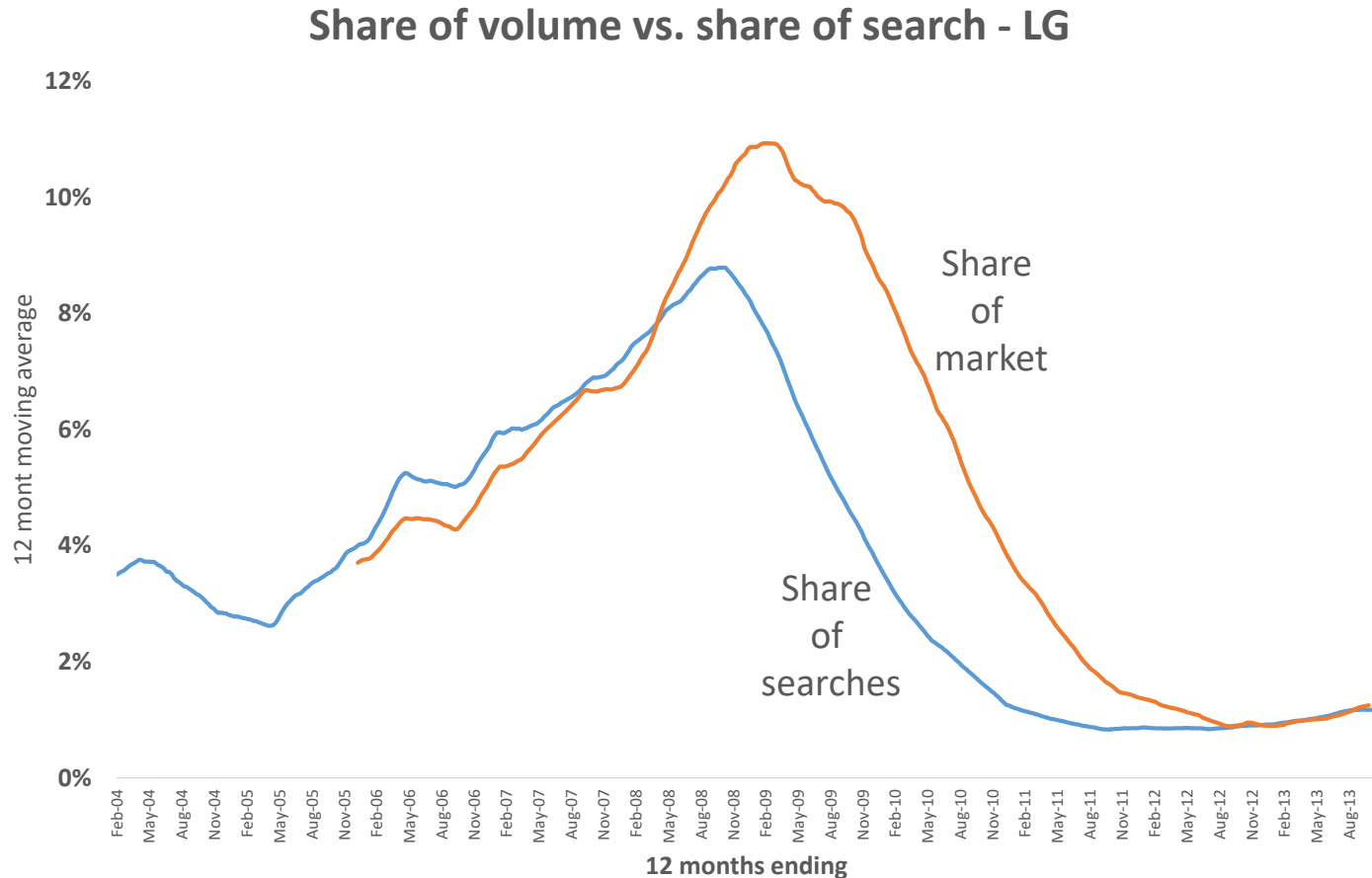
so share of search has two uses



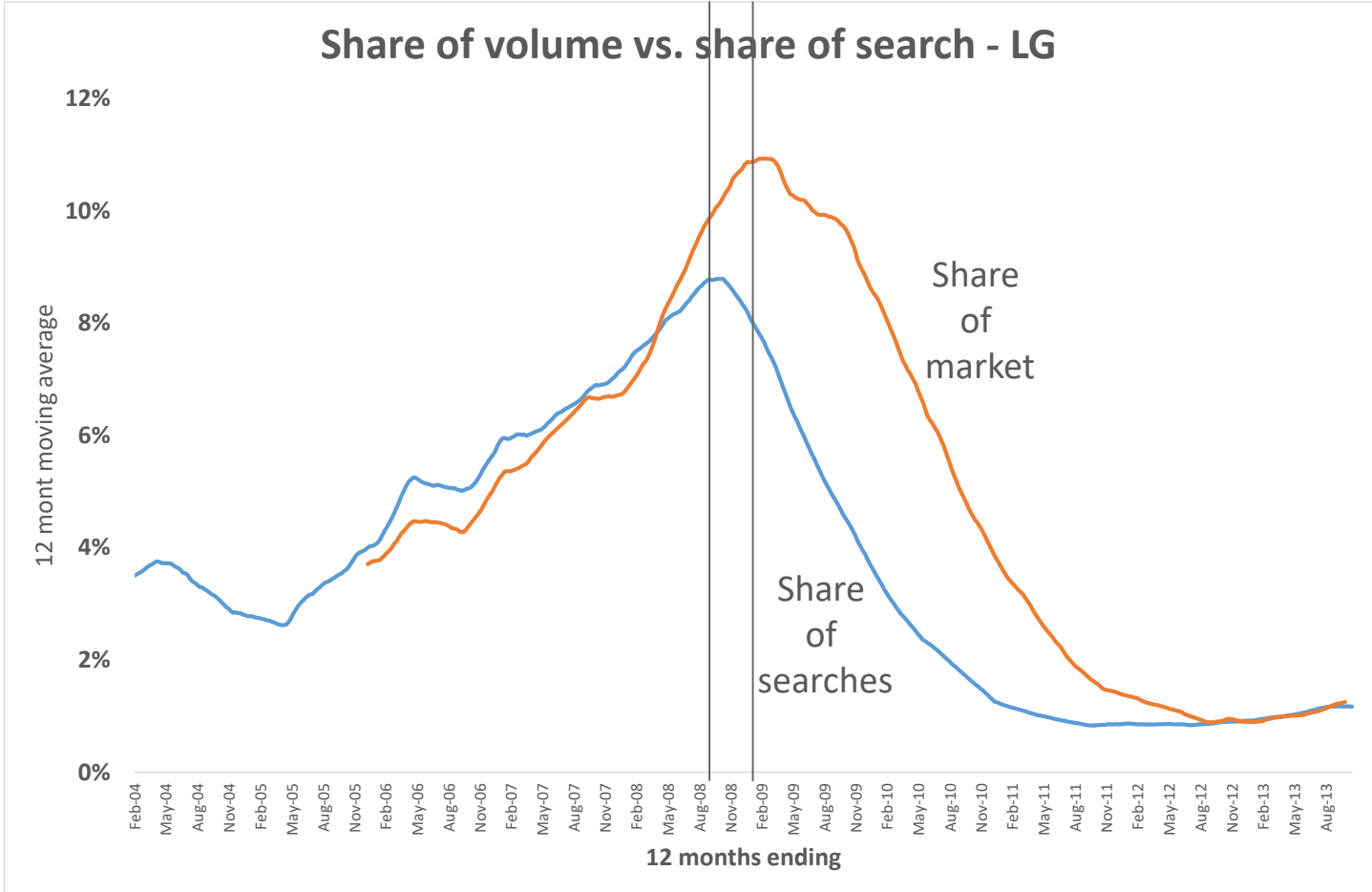
The relationship between the two metrics is different for each brand



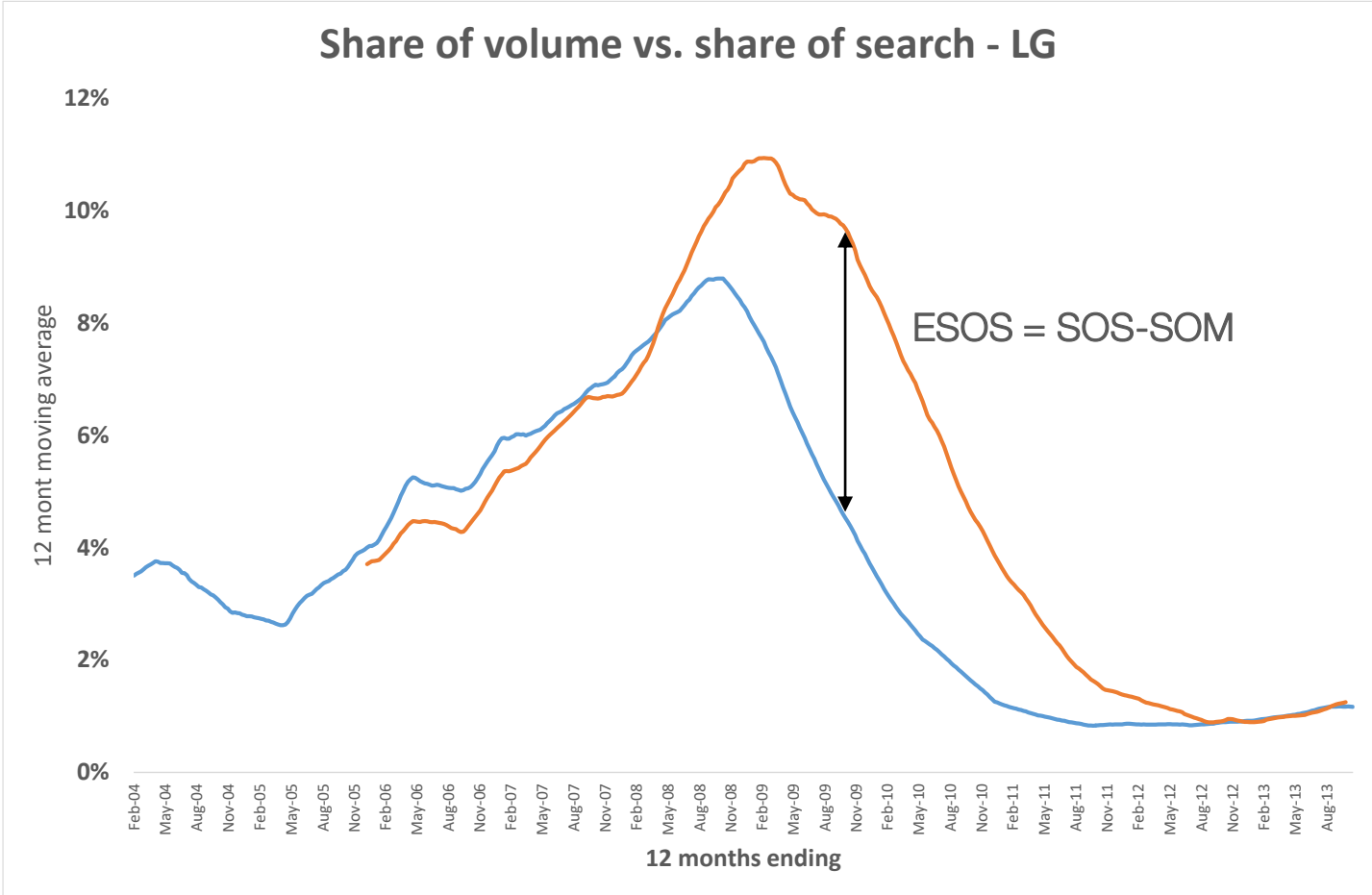
the two metrics mostly move together



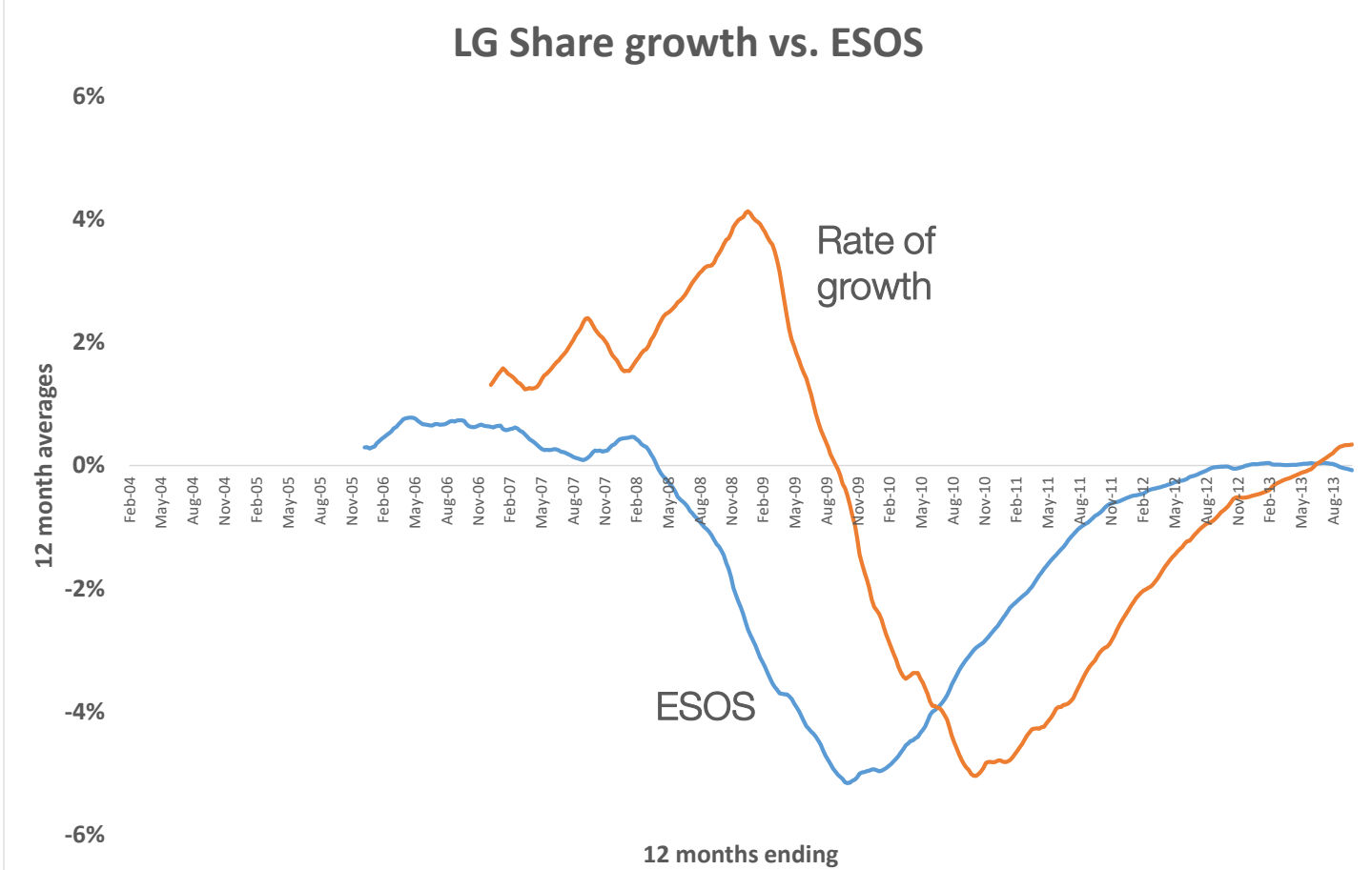
but share of searches tends to lead

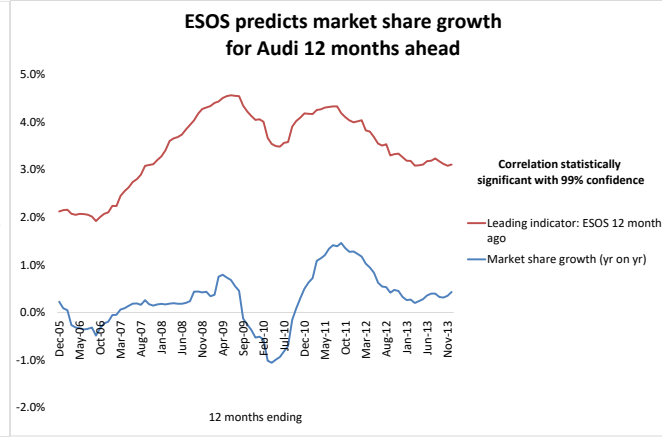
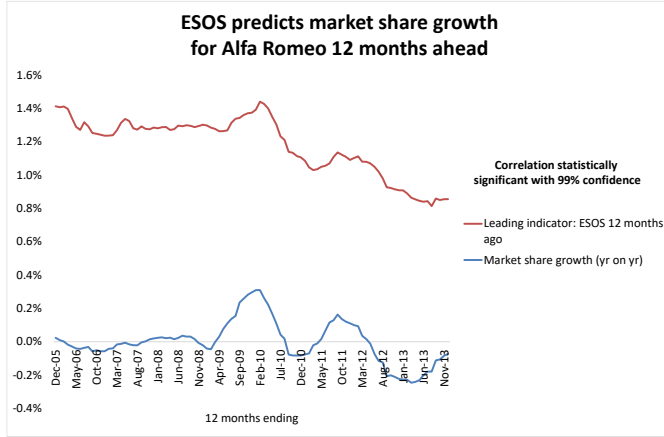


pay attention to the gap between them

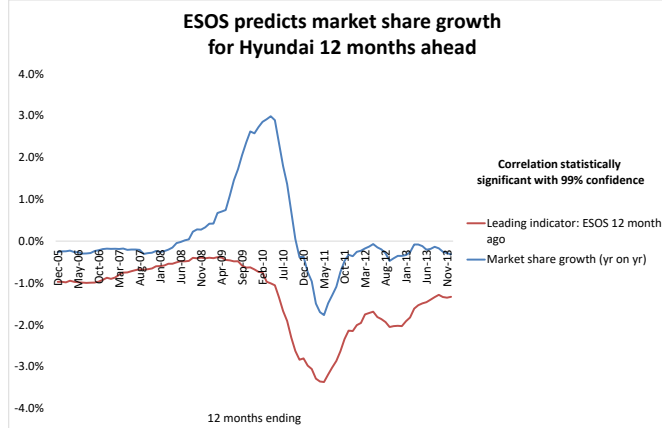
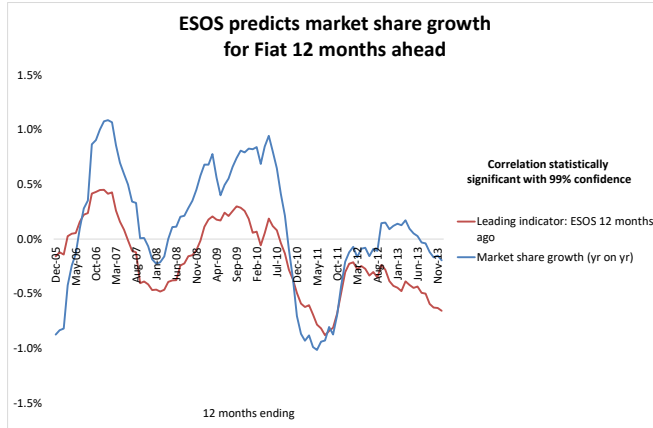


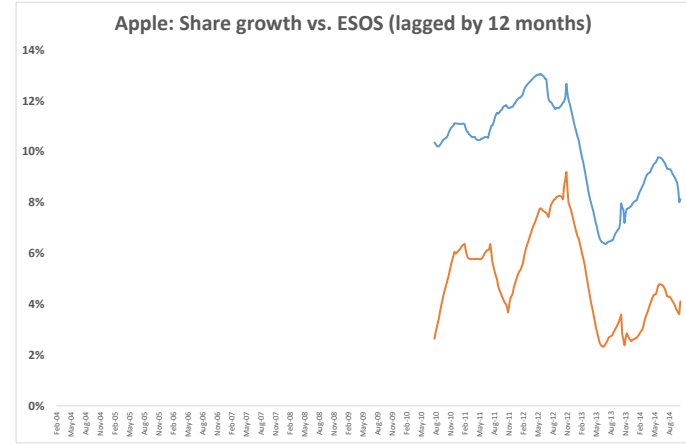
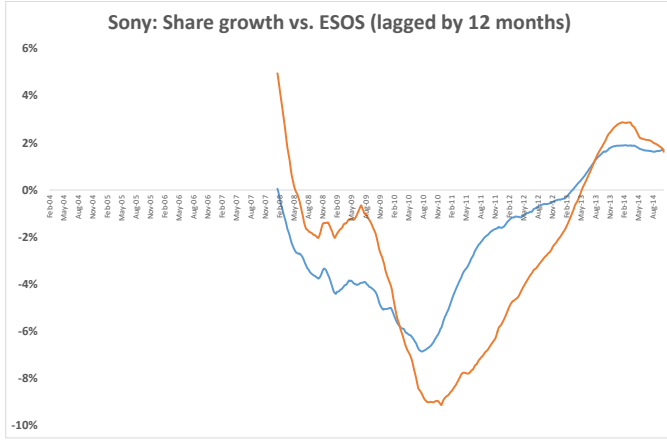
ESOS can be a leading indicator for market share growth



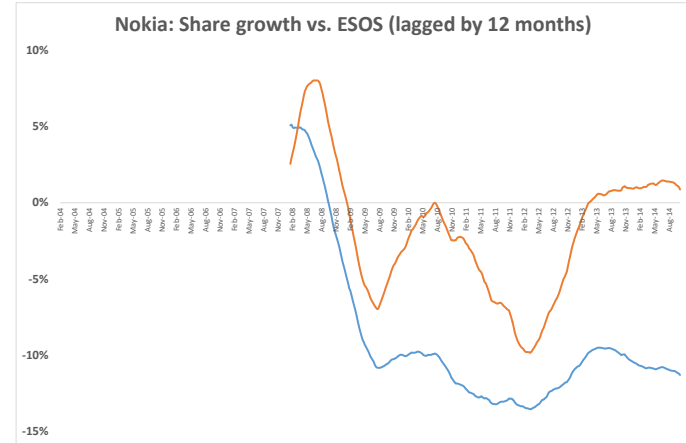
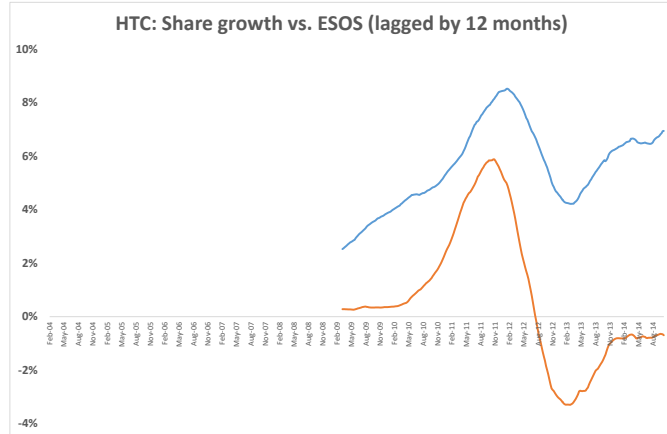


The relationship holds for 22 out of 23 car brands...

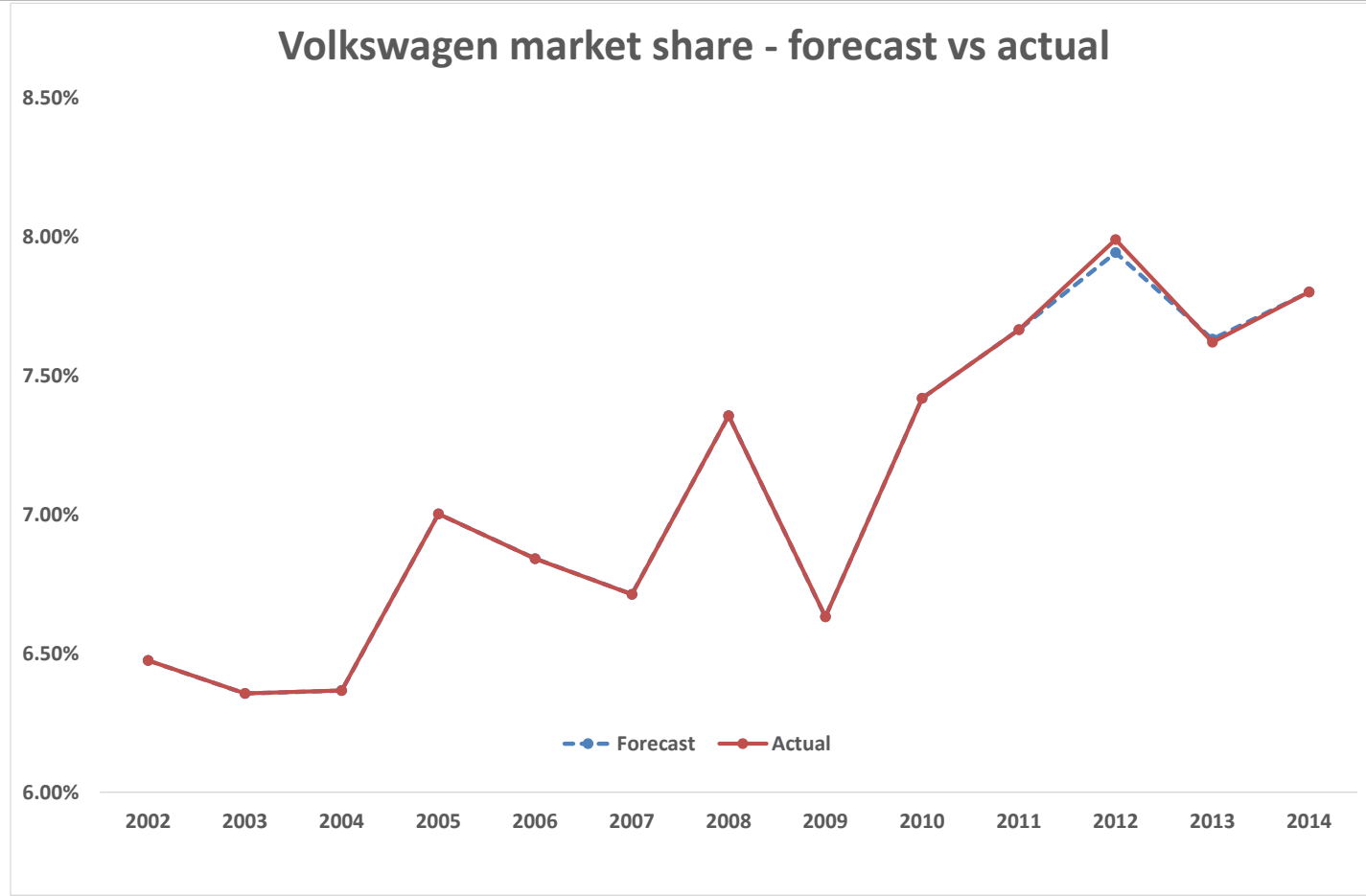




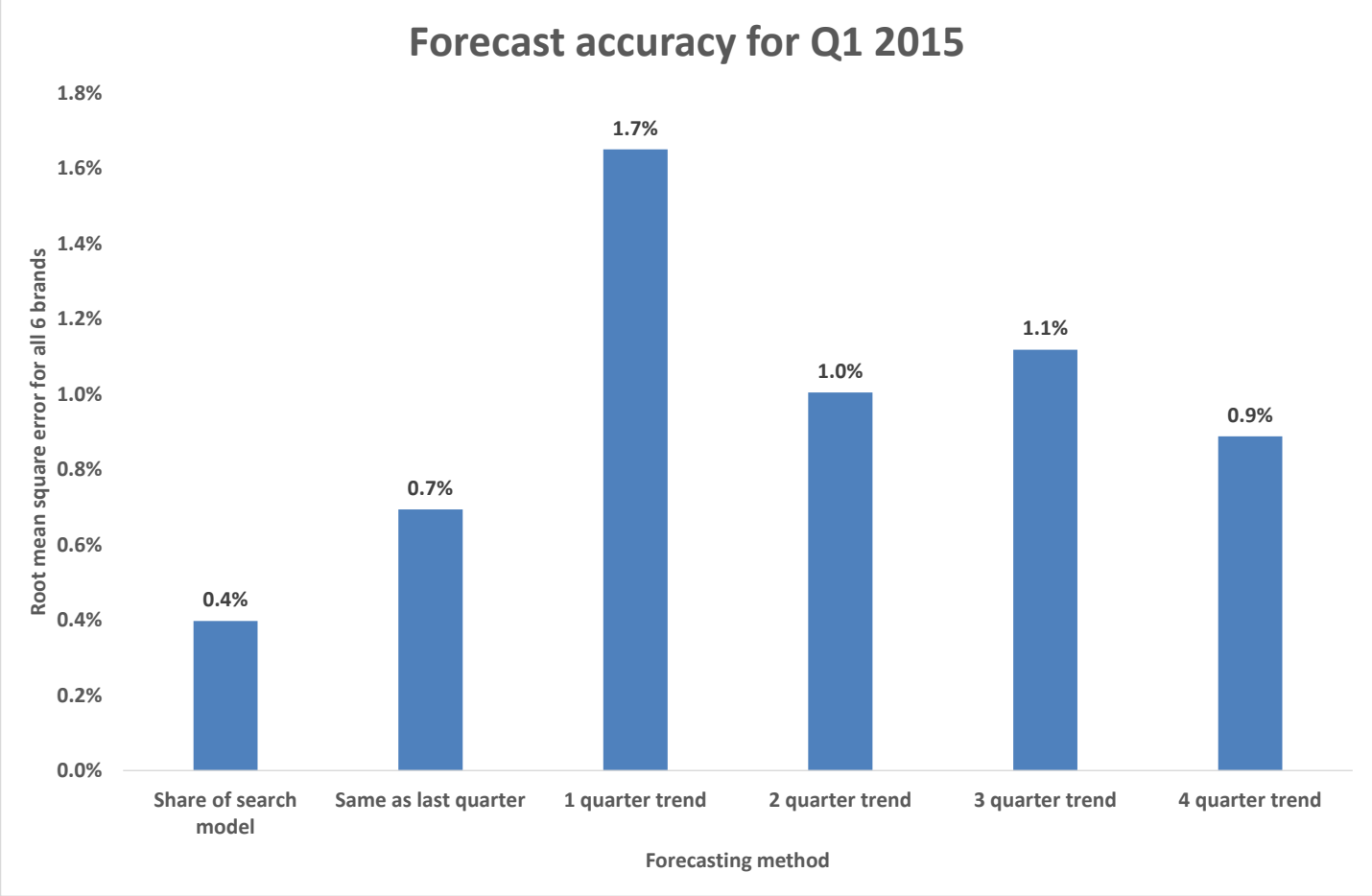
...and for 10 out of 12 mobile brands



an early warning system for brands?



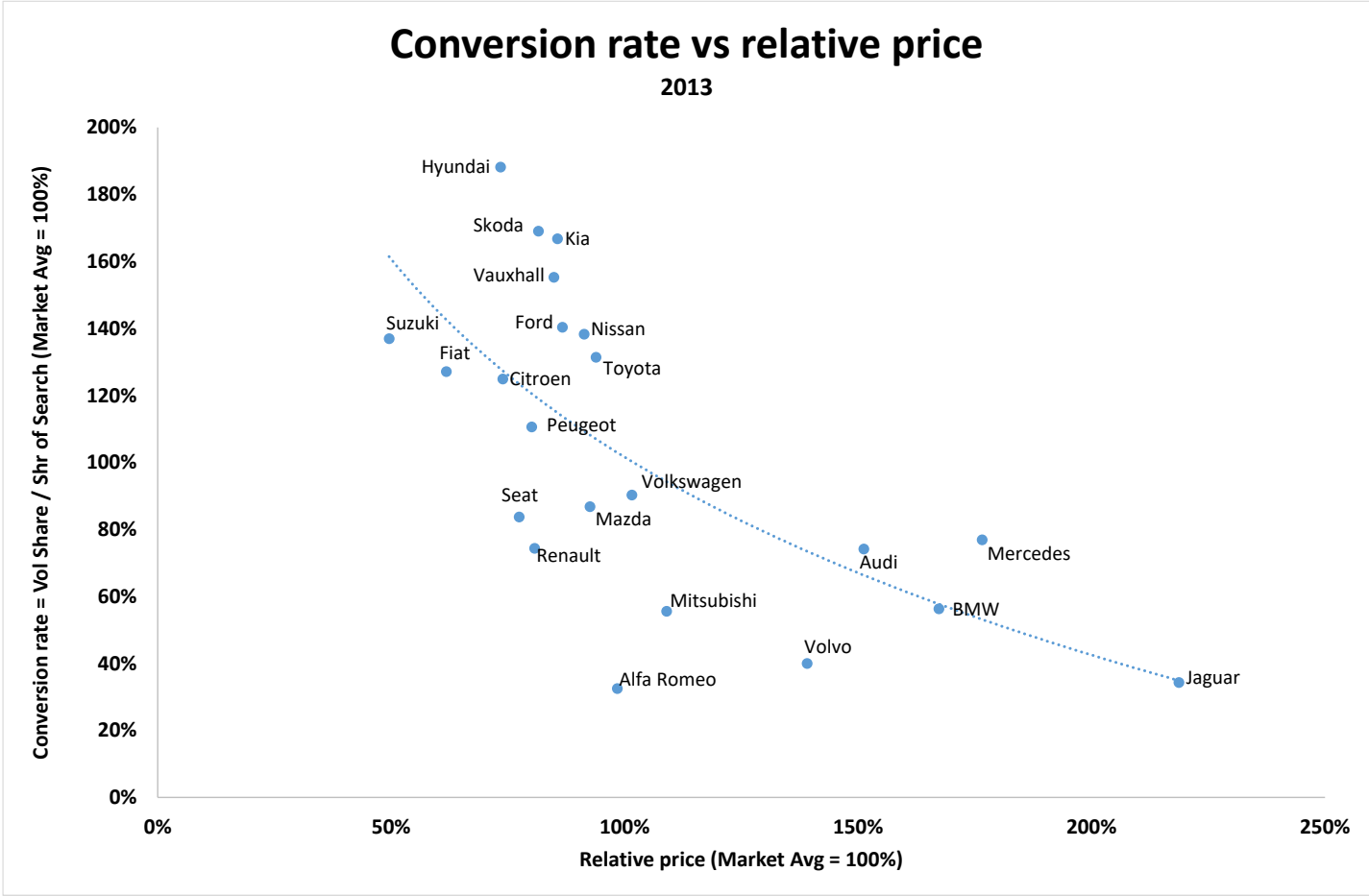
including share of search in forecasting models increases predictive power



but share of search also has obvious limitations



conversion is affected by other factors



what about less planned purchases?

Share of search does lead market share in energy, but the lag is shorter and price plays such a big role that forecasting market share is not practical.

Expect similar results in other categories with short purchase cycles and/or high price sensitivity.

However, share of search may still be useful in such categories as a diagnostic measure (a proxy for top-of-funnel demand).

part 1: summary

Our analysis suggests that share of search is a leading indicator for market share, with predictive power.

We believe share of search is a useful indicator of latent demand for a brand, perhaps akin to conventional metrics like awareness or consideration. But it gives faster feedback and is free.

Share of search may therefore be a useful metric for evaluating brand-building activity.

Share of search is a measure of interest in the brand “at the top of the purchase funnel”. How that converts to actual sales depends on supply, distribution, price, etc.

By giving an early warning of changes in demand, share of search might inform activities lower down the funnel.

The metric is not perfect – for instance it does not measure “sentiment” or “quality” – but it could perhaps be improved.

But what drives share of searches?

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