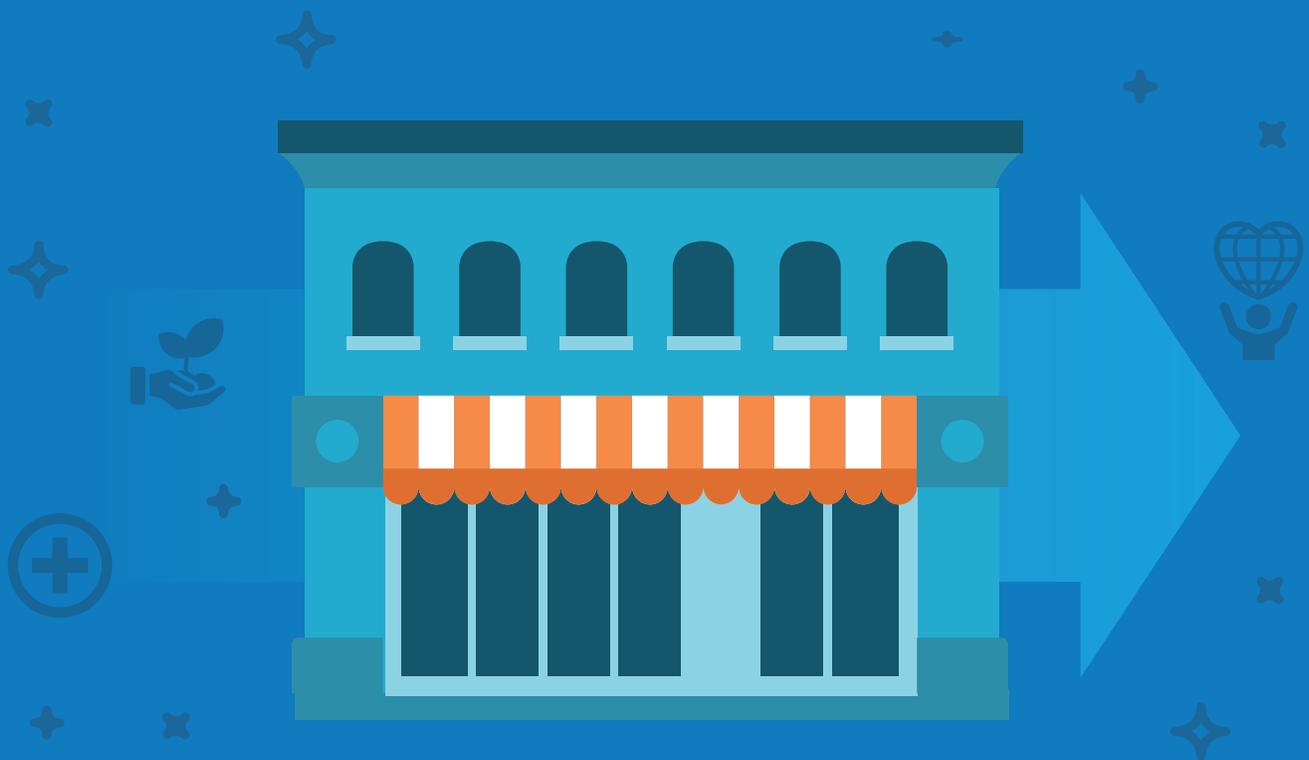


# The Small Business Guide to COVID-19

How the Novel Coronavirus Pandemic Has Impacted Online Advertising—And How to Respond



# Introduction

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COVID-19 has evolved into a global event impacting public health as well as the economy. These are uncertain times, and we don't have all the answers, but what we do know now is that [small businesses](#) have felt sudden changes in their campaign performance as a result of this worldwide pandemic.

We've seen that [global events often impact PPC performance](#), and COVID-19 is no exception. As businesses change their operations, people stay in their homes more, and the world reacts to a pandemic unfolding in real time—they turn to online search and news for answers to their questions and solutions to their new needs. For some advertisers, these new searchers are driving new audiences to find their way to advertisers' sites, and some are becoming new customers. For others, the results aren't as great, and the strategies will need to shift.

At WordStream, we're looking across tens of thousands of advertisers to understand the impact of COVID-19 on PPC advertising. In this guide, we'll examine a number of industries that have noticed serious changes to their Google Ads accounts over recent days and weeks as COVID-19 has spread and interrupted normal life and business. We'll also discuss some of the major trends we're seeing across different business types in the U.S. economy, and share actionable strategies you can take now to lessen the impact on your bottom line.

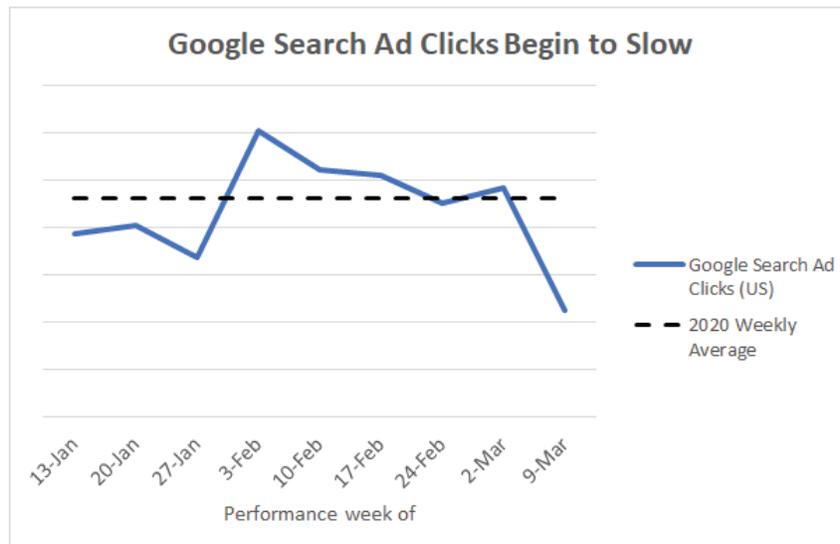
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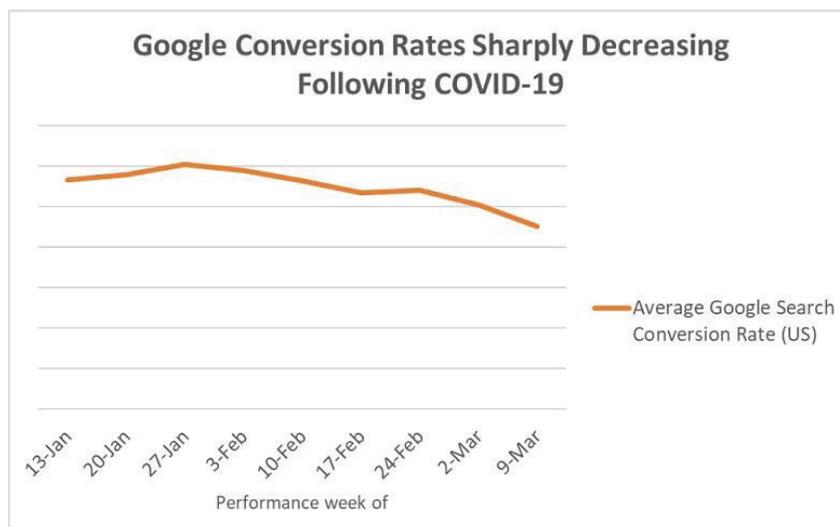
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# How COVID-19 Has Impacted Google Ads Results for 21 Industries

In the United States, [Google's searches have shifted](#), but largely remained constant. But in the past week, we've noticed Google search ad impressions begin to decrease modestly—7% below average. That's not uncommon, particularly during holiday weeks, but it was certainly not expected by many advertisers.



What is uncommon is how searchers are behaving. As they flock to the SERP, we're seeing that searchers might be looking for something entirely different and [so the clicks aren't worth your PPC ad spend](#). Others are more hesitant to convert today. Since COVID-19 became an epidemic in the United States three weeks ago, we've seen conversion rates drop by an average of 21%.



Of course, [every industry sees different performance with Google Ads](#). So it's imperative that we look at things a little more closely.

Here are seven industries seeing an increased volume, seven with mixed performance, and seven industries hit the hardest.

## 7 industries with increased volume/performance during COVID-19

Some businesses are experiencing increases across metrics during the time of this pandemic.

### Non-profits and charities

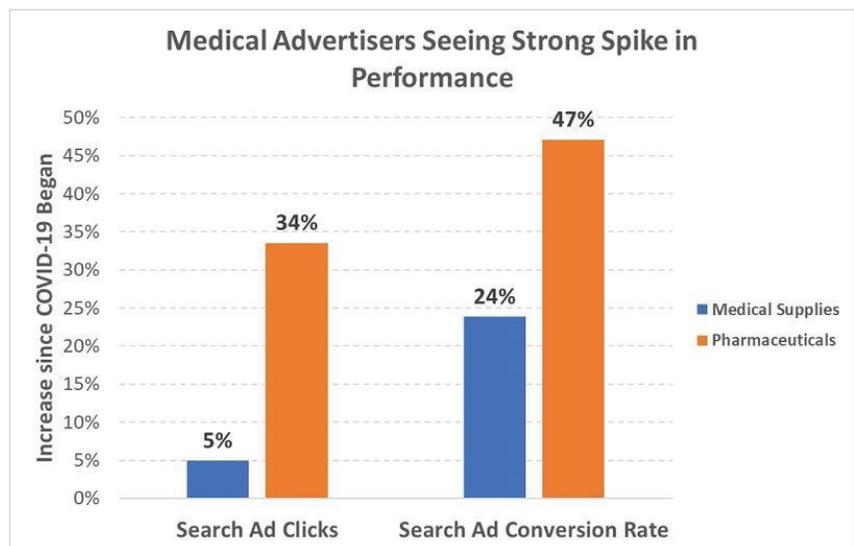
In times of crisis, we often see the best in people, and that's even true on the Google SERP. As COVID-19 has spread, non-profits and charities have seen:

- A 10% increase in search ad impressions.
- A 23% increase in search ad conversions.
- A 20% increase in search ad conversion rate.

Google Ads does support a number of [Google grant programs to allow non-profits advertise for free](#), but keeping them in compliance is often difficult. Luckily, it's clear that they're finding searchers more easily than ever in this crisis.

### Health and medical

Unsurprisingly, many of us are turning to search for information on how to protect ourselves and our communities. As users turn to the stores and the SERP to purchase everything from over-the-counter painkillers to vital medication, many advertisers are seeing increased ease in selling their products online, with ad clicks and conversion rates both significantly higher than usual.



## Business management

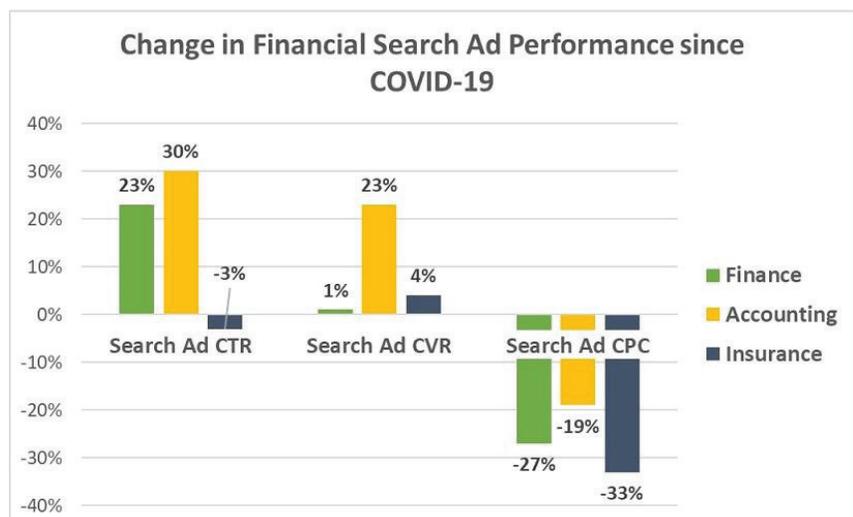
Google's providing [additional advice and resources to help small businesses manage through these uncertain times](#), particularly with setting up employees to work remotely and crafting continuity plans. It looks like many advertisers in the space are set up to help, too. Overall, business management searches grew by 23% since February 23.

- As people prepare for remote working, office supplies became a sudden breakout industry. Searches for office supplies increased 90%, paid search ad clicks increased 35%, and search conversion rates increased 41%
- As traditional retail has shifted focus to operating online, packing and shipping supplies more than doubled their search ad conversions (up 123%) and search ad conversion rate (up 107%).



## Finance

The markets may be performing poorly, but it looks like now more than ever searchers are looking for experienced help. In an industry that normally has some of the [most expensive keywords](#) and a high cost per click, we're seeing CPCs fall and relieve some pressure from a normally competitive industry. Many are also noticing increased CTRs and CVRs, as well.



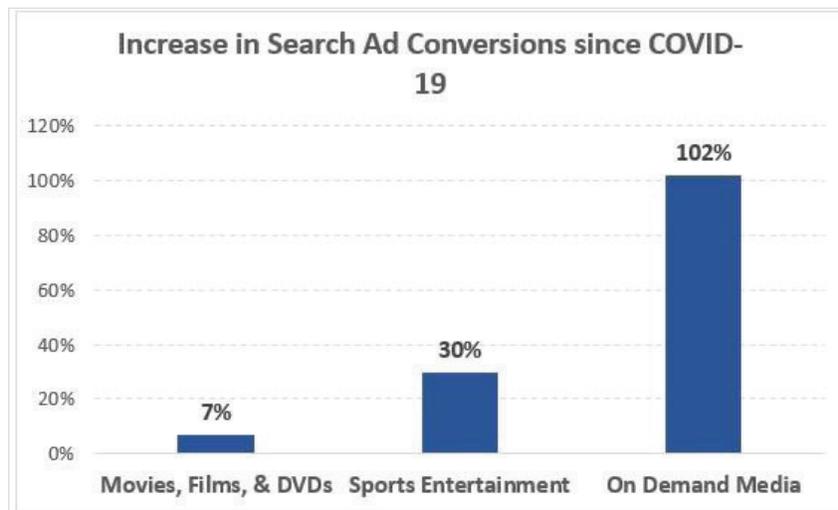
## Beauty and personal care

Many fast-moving consumer goods (FMCG) have been in high demand the past few weeks. People are searching for products like soap and hand sanitizer, as well as seeking more self-care in these hard times. We're noticing a 41% increase in searches for beauty and personal care. Many of these verticals are seeing business boom on the SERP with lower CPCs and much higher CVRs.

Category	Change in search CPC	Change in search CVR
Beauty & Personal Care	-14%	+6%
Skin Care	-3%	+21%
Spa Care	-20%	+41%

## On-demand media

As many of us practice social distancing, we're consuming more entertainment at home. While most entertainment advertisers are picking up the increased demand and driving a few extra conversions, on-demand media has skyrocketed and doubled its conversions in the past few weeks.



## Greetings, gifts, and flowers

Social distancing is a lonely experience, and it's difficult to maintain our connections for what may be weeks or months apart. Small gestures can mean even more throughout the COVID-19 pandemic, and advertisers who are wise enough to advertise on Google are seeing some great results. Over the past three weeks, since the coronavirus escalated in the US:

- Searches for cards and greetings have seen a 15% increase in conversion rate.
- Searches for gift baskets have seen a 30% increase in conversion rate.
- Searches for floral arrangements have seen a 43% increase in conversion rate.

## 7 industries with mixed PPC performance during COVID-19

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We're closely watching some industries with potential to see big changes or shifts in coming weeks.

### Real estate

Borrowing rates remain low, and the housing market is currently holding. On the SERP, search traffic remains relatively stable, as well—with little change to search volume, CPC, or conversion rates. But some important shifts could have some important industry consequences down the road.

- Property development and construction industries both are seeing declining conversion rates (-53% and -7%, respectively) and lower search volume. A slow down in these fields could trigger reduced real estate supply in the future.
- Both real estate listings and real estate agent searches have seen some increased cost per click (+15% in the past month). However, real estate listings have seen a -25% decrease in conversion rates while real estate agents and brokers have observed a 30% increase. As consumers become more hesitant to attend an open house, more will rely on a professional agent to schedule an appointment instead.
- Moving and relocation services have seen a 11% increase in search volume while maintaining a healthy CTR, CPC, and CVR.

### Home improvement

March is often a seasonal lull for Home Improvement projects naturally, so we shouldn't be surprised to see that Home Improvement searches have been slowly declining for the past few weeks. The next few weeks will be a litmus test for the industry.

On one hand, Americans spending more time stuck in their homes could inspire new home projects and an excuse to get off the couch. On the other hand, economic uncertainty may discourage discretionary spending.

To date, average conversion rates remain steady but vary wildly.

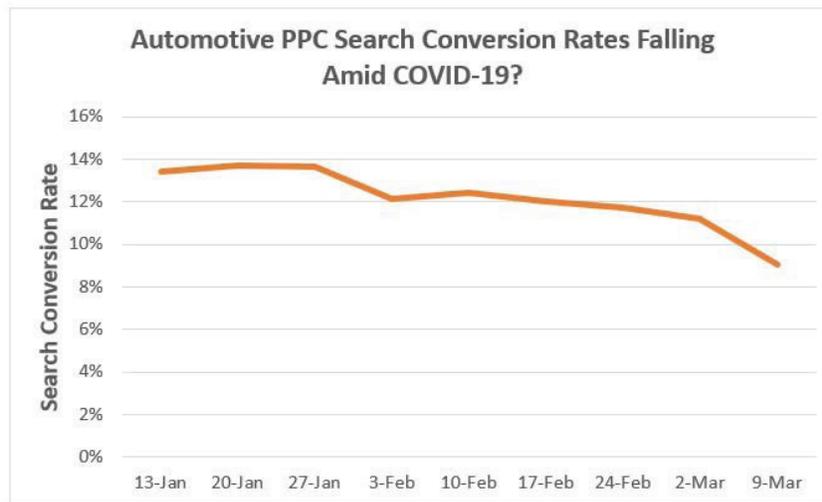
## Home furniture

Much like home improvement, things are unexpectedly consistent on these big-ticket items. Search volume, CPCs, and conversion rates have all stayed within +/-2% over the past weeks.

Smaller ticket items like home appliances and bedding and linens have seen search upticks and light conversion boosts (+7% and +12%, respectively), which may be a good sign for consumer confidence.

## Automotive

The automotive industry is showing some stress on the SERP—with a noticeable 30% drop in the industry average conversion rate over the past few weeks.



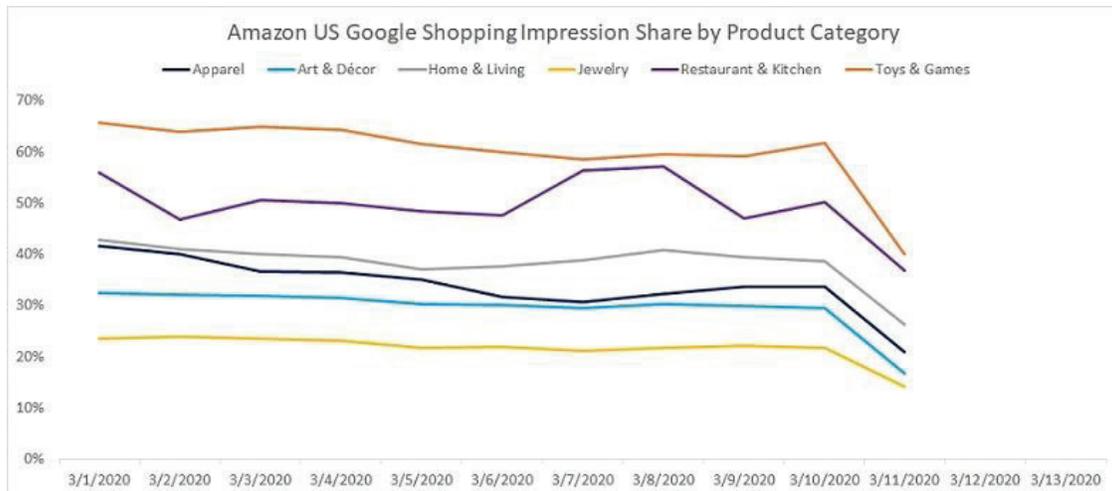
A 30% drop is never good, but it's hard to attribute all that to COVID-19. Mid-March isn't exactly car-buying season to begin with, but we're seeing searchers shift their preferences within the automotive space.

Category	Average Change in search CVR since COVID-19
Vehicle Dealers	-41%
Vehicle Auctions	+5%
Vehicle Parts & Accessories	-28%
Vehicle Repair & Maintenance	+44%
Vehicle Window Tinting	+79%

## Retail

Some would predict ecommerce to soar with traditional retail having reducing hours and operations. But while some families are turning to ecommerce to replace brick-and-mortar purchases, others are unsure of their future income. This instability is impacting user's conversion rates on from search ads—with retail conversion rates having fallen 14%.

The good news? Large retailers, [including Amazon](#), are pulling back their budgets on Google Ads and consequently, a 9% decrease in CPC on Google have evened out most retailer's ROAS.



*Data via Andy Taylor of Tinuiti*

Ironically, wholesalers and liquidators seem to be noticing an opposite trend, with a 14% increase in CPCs but a 9% increase in conversion rates.

## Jobs and education

Schools and colleges around the country are closed for several weeks, prompting a forced rise in [elearning and training](#). Although the classroom has changed, there's yet to be short-term changes to the performance of higher education advertisers. With the college application rush over and the June SAT yet to be cancelled, prospective students haven't changed their behavior on the SERP.

There's modest increase in paid search traffic for new careers and vocational training (+10% and +8%, respectively) in the past weeks, but that's largely aspirational for the moment, as conversion numbers haven't shifted noticeably.

## Legal services

The legal industry is seeing some minor shifts on the SERP, with modest (under 5%) to search volumes and conversion rates. Luckily, this is offset by a similar decline in the cost per click—keeping search conversions and CPAs mostly steady.

However, we're seeing more of these conversions arrive in the form of phone calls instead of website submissions. And, unfortunately, over 30% of these calls are unanswered. If COVID-19 is impacting your firm's operations or hours, be sure to:

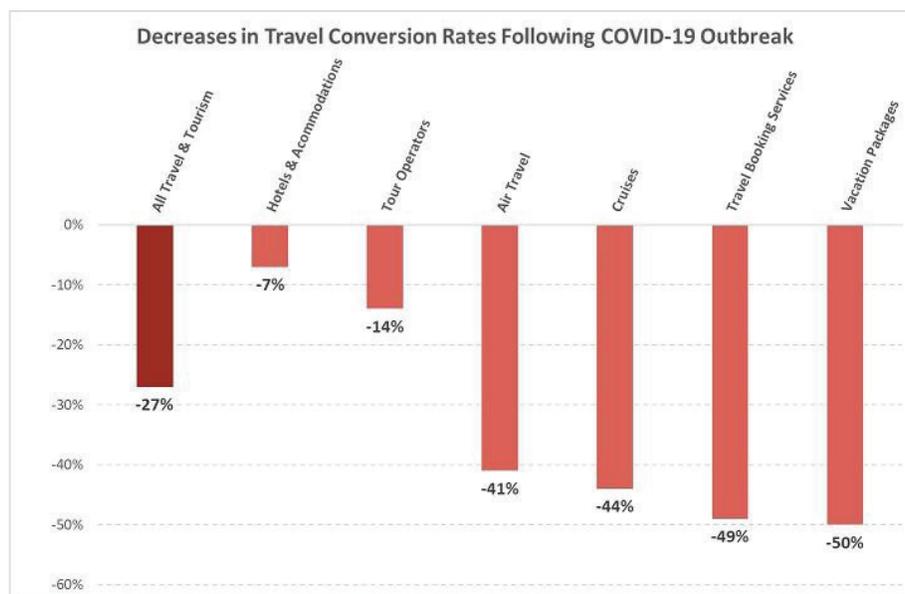
- Update your campaigns [dayparting](#) to reflect your current hours.
- If you're working remotely, make sure your website, your [call only ads](#), and your ad's [call extensions](#) reflect the best number to reach your team.
- Track your [phone calls from PPC](#) using keyword level tracking.
- Ensure that your [Google My Business account is up to date](#) to reflect your firm's current operations. Create a post to ensure prospective searchers that your firm is still active during this crisis.

## 7 industries hit the hardest so far

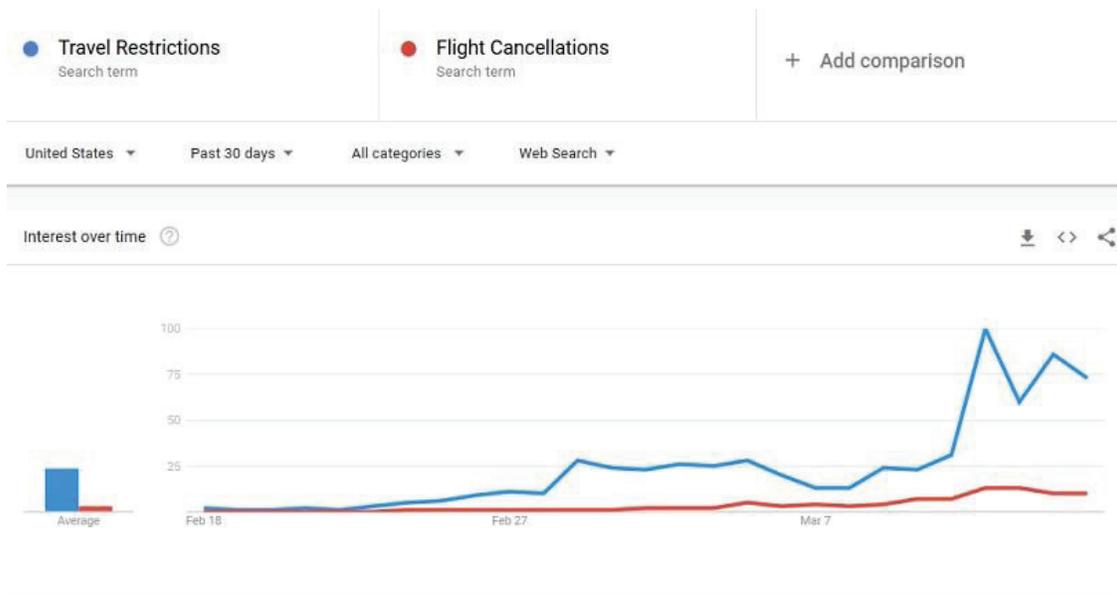
The biggest concern during COVID-19 is undoubtedly public health. Unfortunately, this has put some industries at risk, and those working in these industries are particularly impacted—on and off the SERP.

### Travel and tourism

With businesses, governments, and consumers avoiding unnecessary travel at all costs, it shouldn't surprise anyone that fewer people are looking to book travel today. As a result, many travel advertisers are struggling to convert new searchers on their site.



To compound the issue for these advertisers, searches for flight cancellations, delays, and restrictions are at an all-time high, making their ads more exposed to curious searchers.



To mitigate some of this disruption, be sure to:

- Add new negatives keywords for COVID-19, advisory, and cancellation related searches.
- Promote cheaper fares and easy cancellations and adjustments for future travel.
- Suggest travel insurance to your customers to ease concerns while increasing your average sale price.

## Bars and restaurants

With many communities closing dine-in restaurants and bars, these small businesses will be hit hard during our time in social isolation. While many are learning to shift to delivery and take-out services, they're already hard-pressed finding success on the SERP this past week.

Category	Change in search ad impressions	Change in search CVR
Restaurants	-18%	-59%
Bars & Nightclubs	-26%	-57%

## Live entertainment

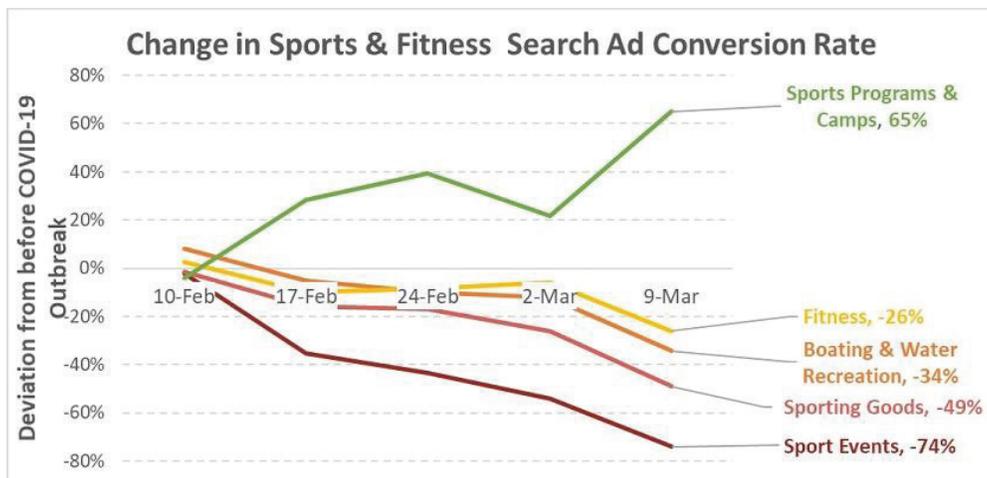
Public safety and strict limits on group size have performers and venues cancelling shows across the globe. As a result, search volume for live entertainment has **reduced by 24% and conversion rates have fallen 30%**.

## Conferences

I know too well that many large conferences have either cancelled, postponed their events until the fall, or are attempting to host a virtual event in place. Unfortunately, many businesses rely on event marketing to fill their marketing funnel so these event cancellations will have ripple effects to other businesses, as well. Since the COVID-19 outbreak at the end of February, event marketers have noticed a 33% reduction in conversions as more events continue to cancel.

## Sports and fitness

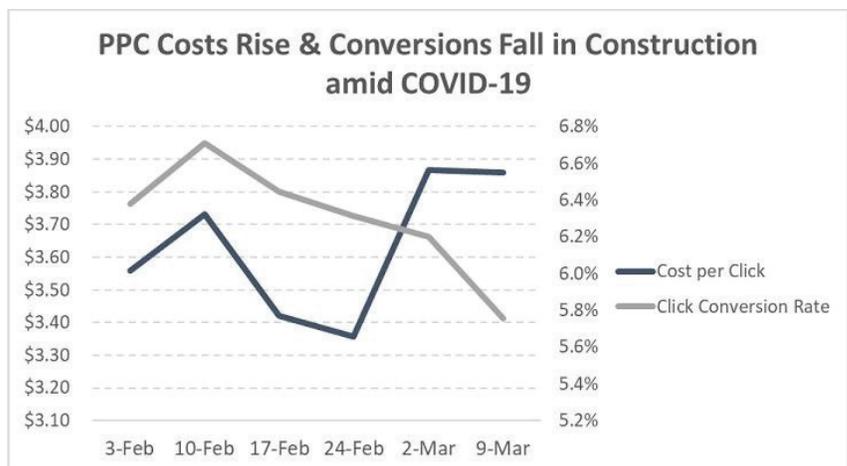
Major sports leagues and rec leagues alike are cancelled for the foreseeable future. As many communities increase their social distancing efforts, many more gyms are due to close and those that are open will see fewer new members walk through the door. All said, many verticals tied to sports and fitness are seeing strong declines to their conversion rate.



A notable exception is that sports programs (online and offline) and sports camps have gained significant uplift in the past few weeks as many begin to plan to get out of the house.

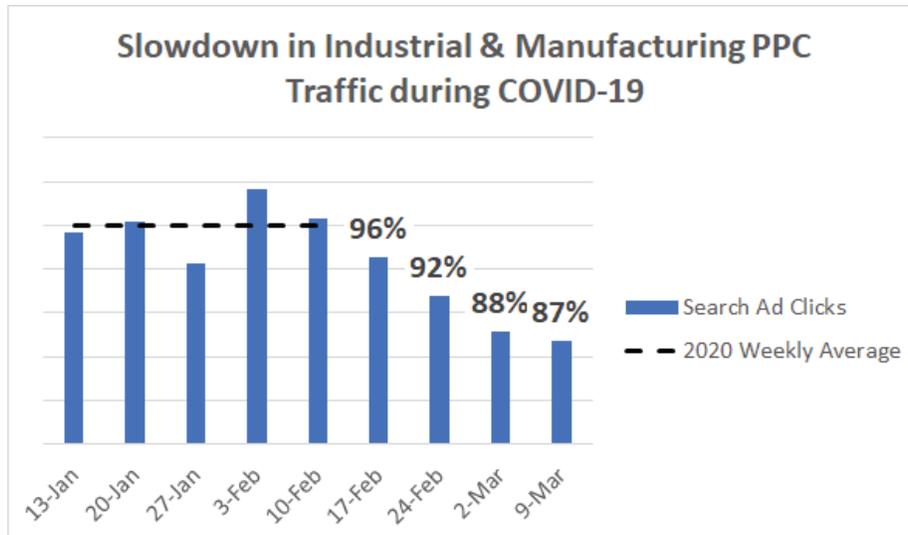
## Building and construction

A sudden economic downturn and worksites being closed puts an unexpected damper in the building and construction industry. As future projects begin to stall or get delayed, prospective clients are becoming less likely to convert, as well. Recent timing is poor, as seasonal advertising costs in the industry are already beginning to rise.



## Industrial and manufacturing

As manufacturing operations are slowed, we're seeing PPC campaigns for manufacturing and industrial goods are also impacted. Costs per click have increased 5% and conversion rates in the industry have decreased modestly, but advertisers are hurting from a 13% decrease in search traffic.



We're all in for change over the next few months—both online and offline. Stay healthy, and practice social distancing. While you're staying safe inside, keep an eye on your PPC accounts and the WordStream blog. As we see new trends emerge and strategies to keep your account's performance healthy, we'll be posting regularly.

## 4 Major Trends Caused by COVID-19 and How to Respond

Our lives have changed so quickly in the past few weeks as COVID-19 became a pandemic. As travel comes to a virtual halt, schools close, and governments react, most of us find ourselves stuck in our homes to avoid and halt the spread of the novel coronavirus. Many [small businesses have reacted](#) by reducing or suspending operations and are already feeling the toll on their bottom line.

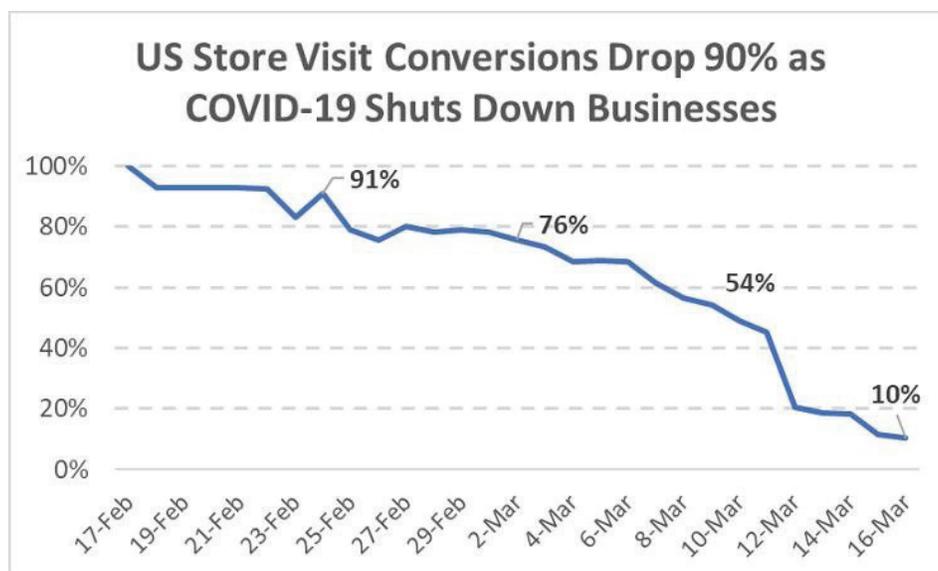
As people's behaviors change, their search behaviors change too. We've already seen [how COVID-19 has impacted Google Ads Results for different industries](#)—and the results are unprecedented. Some industries were well poised for the shifting market, but many are not.

But change doesn't necessitate failure. As more data emerges and trends become apparent, there's plenty of room for small businesses to adjust to the challenges brought on by the COVID-19 pandemic and weather the storm.

# The trend: COVID-19 plummets store visits by 90% in one month

It may be obvious to state, but as people practice social distancing and avoid unnecessary trips, and as many businesses are forced to close their physical stores or limit their in-store capacity, most brick-and-mortar stores are feeling the pain of limited foot traffic.

In Google Ads, many advertisers track [store visit conversions](#) to understand the offline impact of their online advertising. Many [local advertisers](#) optimize their PPC campaigns using these metrics and have noticed significant challenges in the past month as COVID-19 effectively eliminates unnecessary foot traffic.



Advertisers began noticing a small drop off in store visits in late February. By the first week of March, store visits were down 24%. As the virus spread exponentially, store visits were down 46% at the beginning of the second week of March. Following the president's address and the CDC's global travel warnings, the remaining store visits were down 80% on Thursday, March 12. This past week saw virtually no unnecessary store visits, as store visits hit their current low, down 90% from a month ago.

## How to respond: Get your small business online

As traditional brick and mortar businesses suddenly can't rely on foot traffic to fill their store fronts, now small businesses must focus on their online presence. We haven't seen Google search traffic diminish too much since the COVID-19 outbreak, so all small businesses should take this time to improve their online web presence fast.

Here are the five steps we recommend.

## 1. Design a simple website

Your company's website is the cornerstone to your online presence. Your small business doesn't need to have a complex website, and you can [create a basic website in just an afternoon](#). Google even supports small businesses with a [free website builder!](#)

And as you refine your site's landing pages, be sure you're [optimizing your landing pages for Google](#).

## 2. Get your business on Google My Business

As COVID-19 shuts down businesses, we expect more people to turn to Google to ensure businesses are even open during these uncertain times. By creating a [Google My Business account](#), you can proudly display your business hours, address, posts, photos, and even reviews across Google search and Google Maps.

If you're already running Google My Business for your business, be sure to [update any your business operations if they're changed by COVID-19](#). That includes updating your business hours and phone number, and posting a notice about any changes your customers should know about your business's operations with respect to COVID-19.

## 3. Engage your customers on social

Your customers expect that your business might change during the pandemic and they're looking for updates to confirm whether and when you're open. Some will turn to Google or your website, but many others will try to find your most recent posts on Facebook or Twitter. If they can't find you on social, they're less likely to trust you're still open. Be sure to create a [free business page on Facebook](#) and give your customers a periodic update so that they know your business is still open.

## 4. Get your products online with Google Merchant Center

Traditional retail is struggling with minimal store visits, but ecommerce is an attractive opportunity to keep your sales coming in, even if your customers are stuck inside. To start selling your products online, [create a Google Merchant Center account](#) and upload your first products online. You can even use an [automated product feed](#) to help keep your products, prices, and inventory updated on Google.

Once your first products are online, be sure to regularly [optimize your Google shopping feed](#) by following simple best practices for product titles, descriptions, images, and taxonomy to ensure that searchers can easily find your products online.

## 5. Promote your business online

You'd be surprised how many people can find your business online with just a few simple tools, but even the best search engine optimization can benefit from some additional traffic. Advertising across search and social is easy and these platforms can drive plenty of extra traffic, sales, and loyal customers for small budgets.

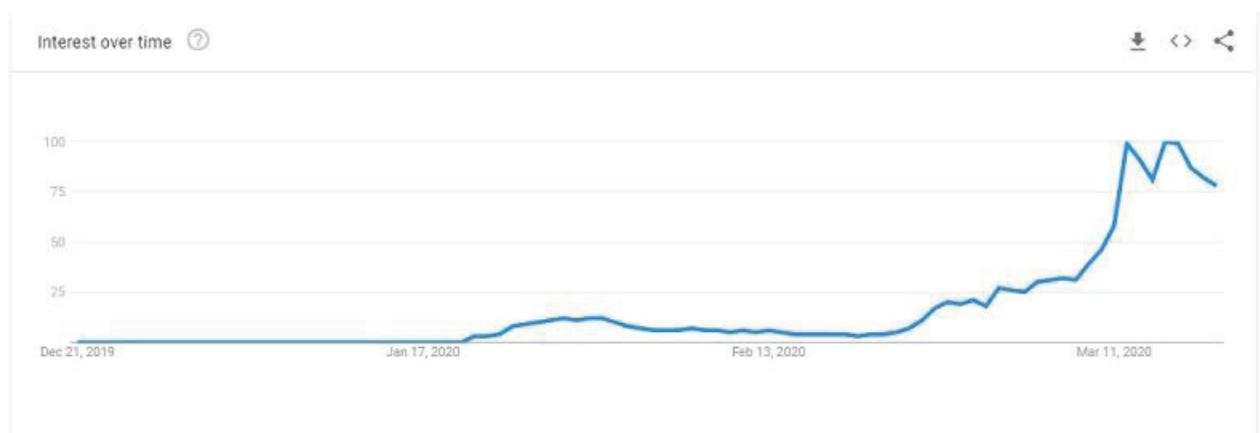
- [Google Ads](#): Reach customers as they search online for your keywords and pay only when interested customers click on your ads! Additionally, you can reach your ideal audiences across Google Maps, display ads, Gmail, and YouTube.
- [Microsoft Advertising](#): Expand your reach to the second largest search engine in the United States, with 36% of the desktop market share. Many advertisers see even cheaper clicks on Microsoft Advertising than on Google.
- [Facebook ads](#): With over 70% of the US online population on Facebook, Instagram, and Messenger, Facebook ads is the largest opportunity to get reach your audiences on social media. Facebook advertisers can wide, diverse audiences at low costs.

Advertising online might sound complicated at first, but learning PPC can be simple with the right partner. We recently introduced a series of [free, on-demand PPC classes in our Growth Academy](#) to help small businesses learn how to launch and optimize their first online campaigns.

## The trend: COVID-19 dominates new searches

As both the virus and news spread exponentially, we're learning about it in real time. It's dominant in our minds and in our questions on Google search. Other the past few weeks, searches containing "coronavirus" and "COVID" have certainly taken off. These terms are often appended to everyday searches like "travel booking" or "tax preparation."

Google search interest for the coronavirus in the United States:

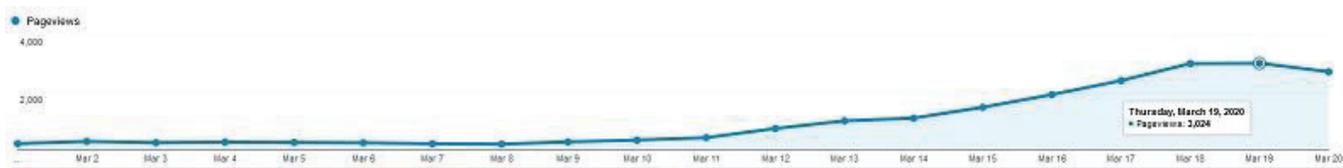


But even outside of searches directly about the virus, the implications of our changing world are bringing people to Google with questions we don't often see asked. Normally, many of these questions have simple answers, but uncertainty breeds confusion for even simple questions.

## Trending Insights, 03.20.2020



From medical necessities, basic needs, and government advisories to Tom Hanks and the 2010 Disney movie *Tangled*, dormant or brand new searches are becoming incredibly popular. As a result, much of our online marketing is reaching a new audience—often for an unplanned reason. Even on our own website, we’re suddenly seeing extra traffic to [this 2017 post for Facebook Live](#) as a result of COVID-19 related searches.



## How to respond: Adjust your PPC campaigns for new search terms and volume

### 1. Review your search terms report regularly

No one’s favorite PPC task has become even more important as searches quickly explode related to COVID-19 and the disruption it’s causing in both our world and our ad campaigns. No one knows what will be trending tomorrow, so it’s important to understand what traffic your ads are getting and [add new negative keywords](#) quickly to prevent your campaigns from reaching irrelevant panicked searchers.

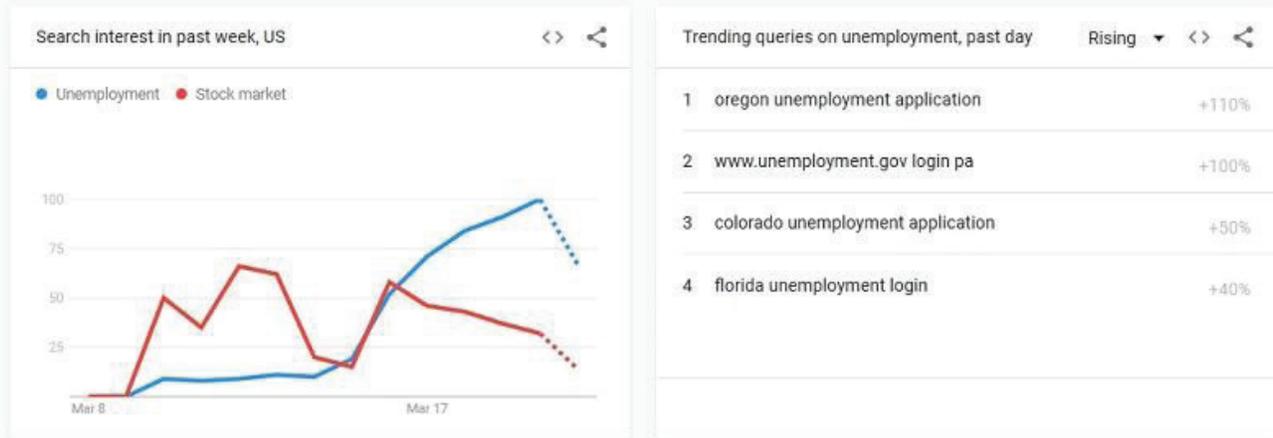
### 2. Find new negative keywords before they start trending

All your new keywords run the risk of attracting unsavory or irrelevant searches and wasting your campaign budget. Before tomorrow’s news story breaks and irrelevant search traffic flocks to your ads, find new negative keywords with a [keyword tool](#).

### 3. Follow trending COVID-19 searches

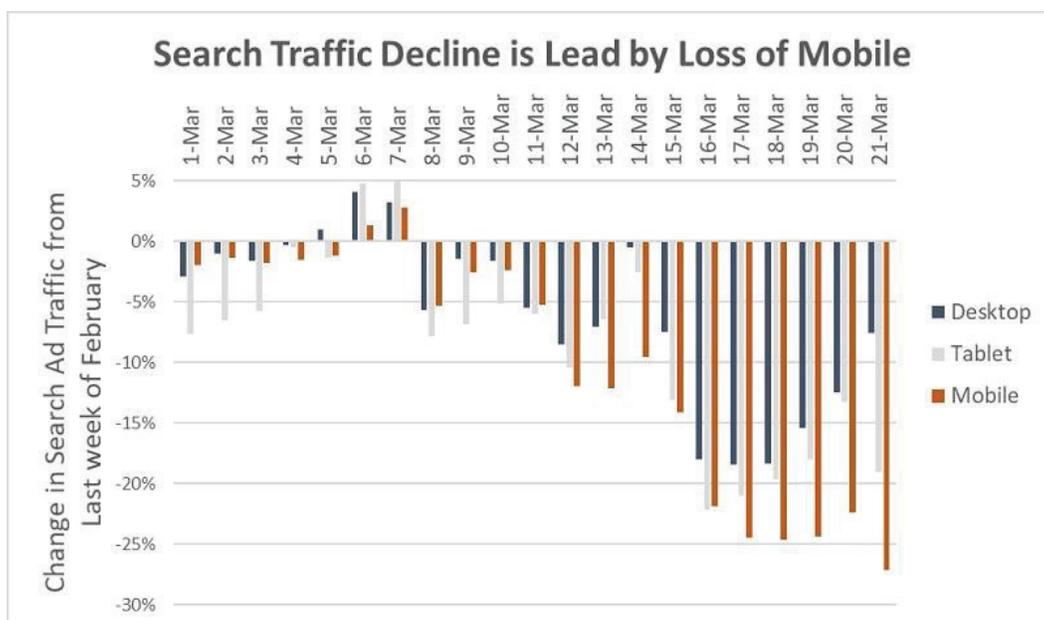
[Google Trends](#) is always a great tool to understand how people are searching online. In response to the sudden surge in coronavirus-related searches, Google Trends recently released a new [Google Trend Coronavirus Hub](#), dedicated to these specific COVID-19 search trends. Review the hub regularly to see how people’s priorities and search interests are reacting to the changing news.

## The outbreak has caused economic chaos and uncertainty.



# The trend: Mobile search traffic cut by nearly 25% in March

With many staying indoors, not commuting and not traveling, we've already noticed that we're appreciably less mobile than we were just a few weeks ago. My Fitbit confirms that fact too, honestly. These sedentary behaviors make us much less mobile on search as well, and our paid search campaigns show a large decline in mobile search traffic.



While Google search ad traffic is falling across all devices, it was felt much more on mobile and tablet devices than it was on desktop. Since Monday, March 16, mobile traffic has consistently been **down an average of 24%** from the last week of February. Tablet traffic is similarly suffering from a 19% drop in the same time period. Desktop traffic is steadier, showing an 18% decline during the week and only a 7% decline on the weekends.

With mobile traffic sharply declining in the US, this begins to erode a core tenant of Google’s own “mobile-first” philosophy. Traffic on mobile is generally cheaper for PPC advertisers, so this shift has meaningful implications for PPC strategy in the coming weeks.

## How to respond: Adjust your PPC campaigns for less mobile traffic

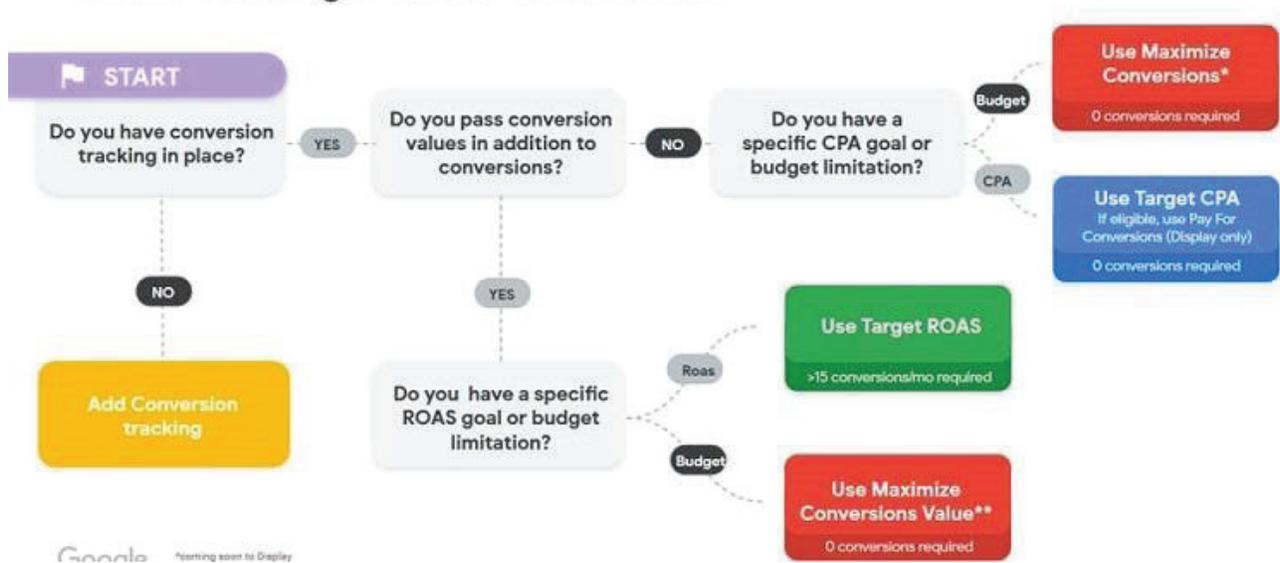
### 1. Revisit your device bid adjustments

You may have set a mobile bid adjustment in the past using relevant data at the time, but given the quick shifts in the search landscape, it may be worth revisiting your current [device bid adjustments](#). As more searchers shift back to desktops while spending time inside, expect to see big shifts to their performance across device.

### 2. Consider smart bidding

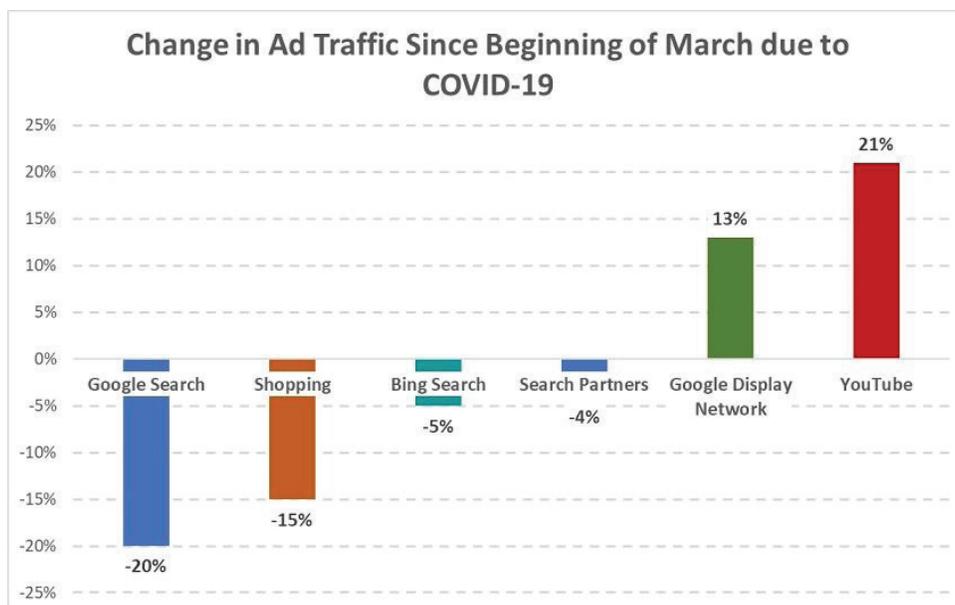
It’s clear that we’re in for some surprising paradigm shifts, and it’s going to be difficult to know how search behavior will shift on a dime. Google’s [smart bidding strategies](#) may help advertisers by digesting changing data and adjusting their CPC bids in real time to match their goals. When choosing a smart bidding strategy, be sure to consider your goals and campaign budget, as well!

### Smart Bidding Decision Flowchart



# The trend: Cross-network opportunities grow as Google search traffic falls

While people may be spending less time out in brick and mortars and less time on Google search, our [internet use is up nearly 50%](#) since COVID-19 became a pandemic. The good news is that you can still reach your prospective customers online—they're just looking in different places.



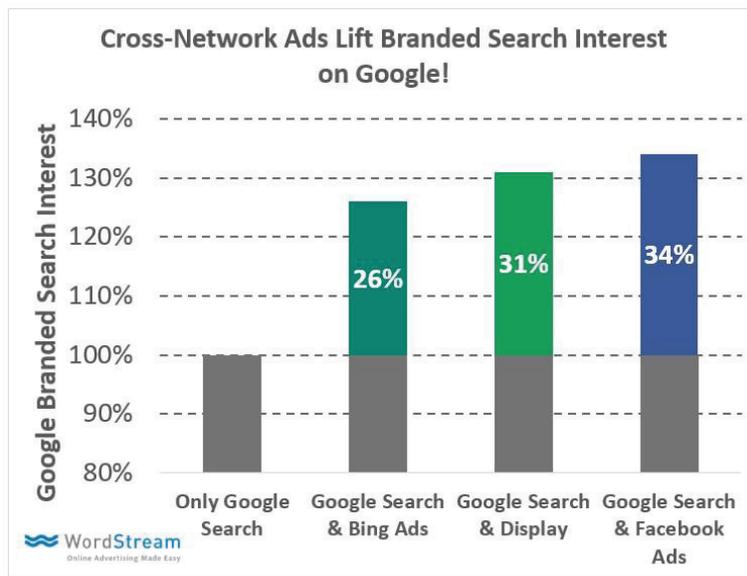
Since the beginning of March, Google search and Google Shopping may have taken considerable dives, but there's still plenty of opportunity out there. Bing Search and Google search partners have remained relatively safe and steady places to find your customers and usually have cheaper CPCs than Google search.

On the other hand, finding your customers off the SERP is becoming increasingly easier! This past week, traffic from the Google Display Network grew 13% since the beginning of the month. And YouTube views are soaring—up 21%!

## How to respond: Reach your audience on other networks

### 1. Now more than ever it's crucial to advertise across networks

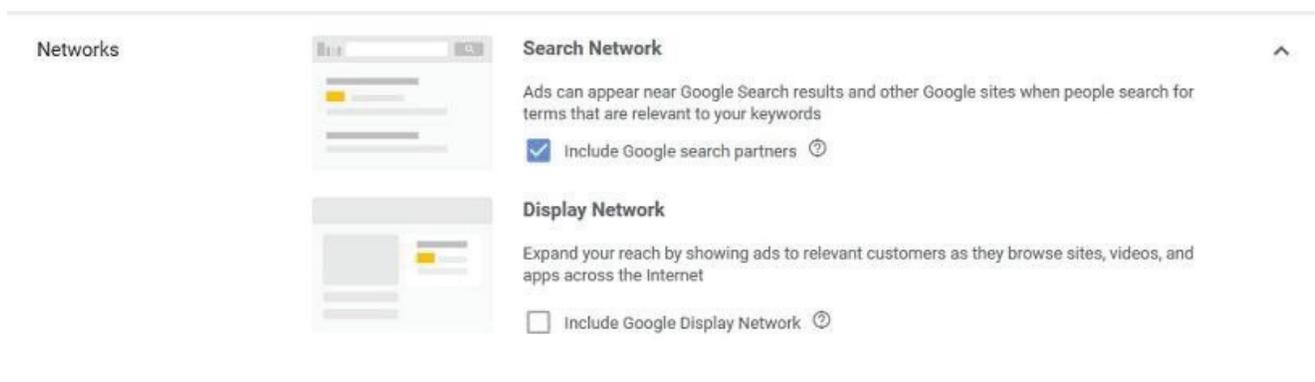
We're all in for a rollercoaster of a ride on the Google SERP over the next few months as behaviors change. With Google search currently beginning to fall, you'll have to find other networks to help make up some of that loss. Advertising across multiple networks will help mitigate the volatility of just relying on Google search alone. Additionally, we see that by advertising across networks other than Google search, you'll find new audiences and even [increase the number of people who later search for you on Google](#).



## 2. Include Google search partners in your campaigns

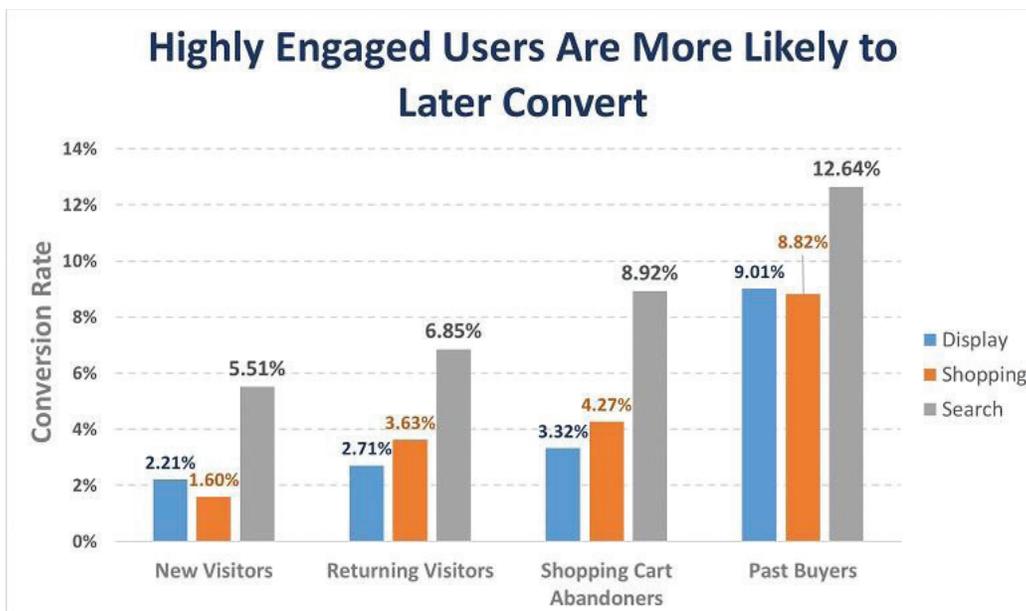
[Google search partners](#) include many smaller search engines that are powered by Google, like ask.com and countless smaller local search engines. While many may prefer the Google brand of search, the truth is that not every search occurs on Google.com. These partner search engines make up about 10% of Google’s search reach, so consider including them to your campaigns to make up some of the lost search traffic you’re experiencing due to COVID-19.

To include search partners in your campaigns, simply check the “Include Google search partners” box within the networks tab of your campaign settings. To view your ads performance on these search partners, you can segment your data by “Network (with search partners.)”



## 3. Dive into display and YouTube

With so much of your audience spending more time online, now it’s easier than ever to find them while they browse the web, scroll their social feeds, and watch videos online. Consider starting off by [remarketing to your past customers and website visitors](#) to bring them back to your site and keep your brand in their mind. When they return to your site, they’re often much more likely to ultimately convert on their return visits!



## Conclusion

It's unfortunately clear that the coronavirus is going to change our daily lives for the next few months at least. Stay safe and healthy, and practice social distancing. While you're stuck inside, keep an eye on your PPC accounts and the [WordStream blog](#). We'll be posting regularly with new data and strategies to best adjust your campaigns in these rapidly changing times.

### Data sources

This report is based on a sample of 15,759 US-based WordStream client accounts in all verticals who were advertising on Google search, display, and YouTube throughout March 2020.

### ABOUT WORDSTREAM

WordStream is on a mission to make online advertising easy. The WordStream Advisor platform helps businesses of all sizes maximize the results of their online advertising by giving advertisers powerful tools to easily build, manage and optimize campaigns across ad networks like Google Ads, Bing, Instagram, Facebook—and more!