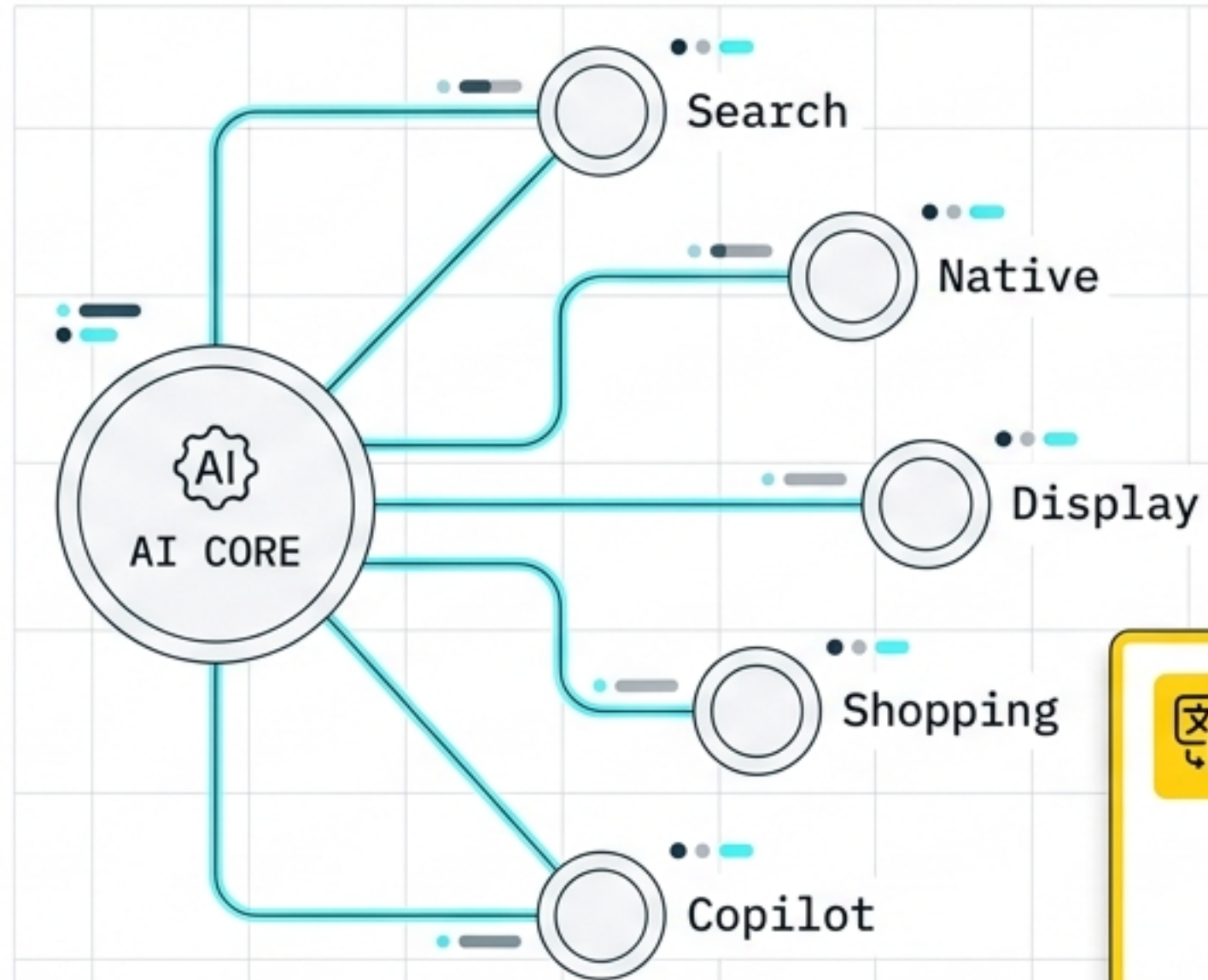


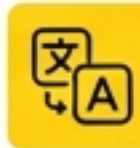
Deploying Performance Max on Microsoft Advertising

Telemetry, Architecture, and AI Optimization Signals

The AI Drives. You Provide the Coordinates.



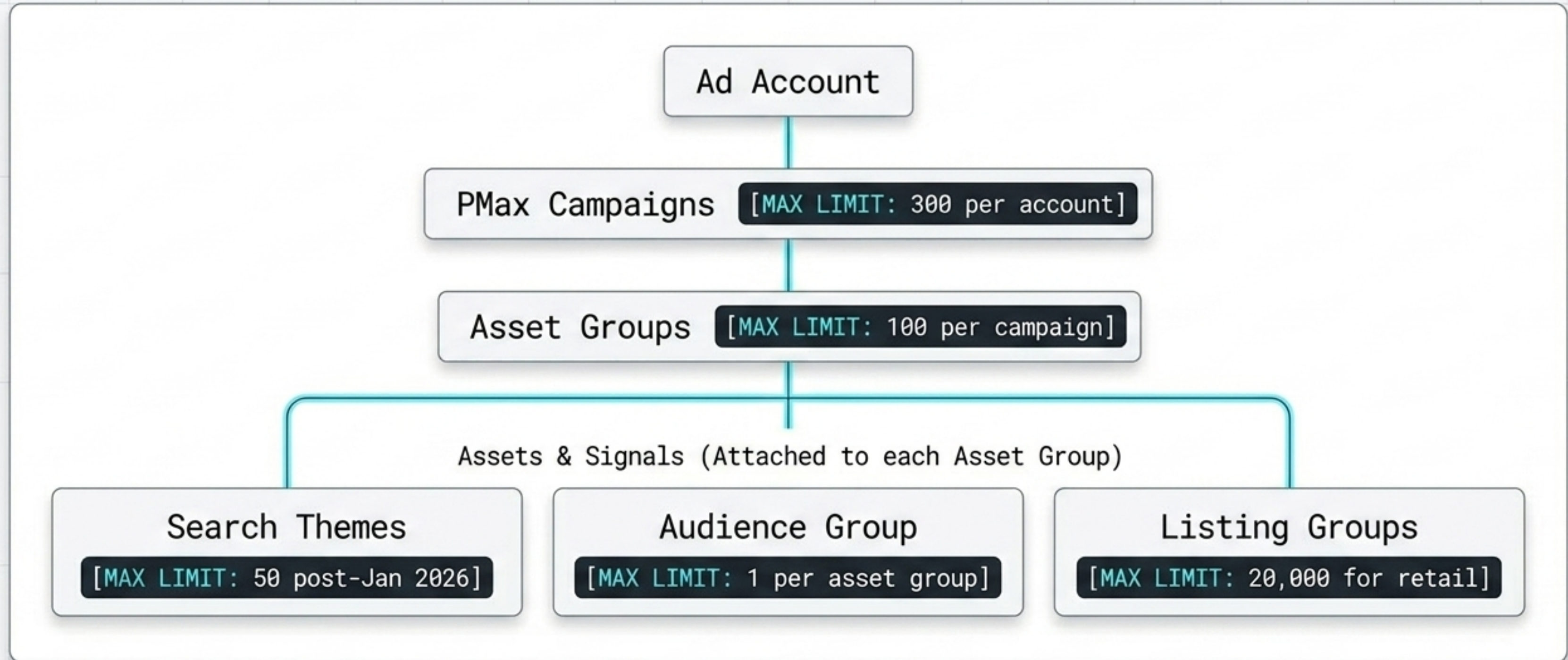
Microsoft's **Performance Max (PMax)** replaces siloed campaign types with a single unified engine. The **AI dynamically selects placements, formats, and bids** in real-time. Your job is no longer manual bid management—it is **architectural design** and **signal calibration**.



GOOGLE TRANSLATOR:

If you run Google PMax, the core mechanics are **identical**. But Microsoft's asset thresholds, search theme limits, and transparency reports operate on different rules. Do not copy-paste blindly.


Microsoft PMax Structural Limits





Bid Strategies and The Budget Isolation Rule

[PERMITTED ENGINES]

PERMITTED ENGINES

Maximize Conversions
(Optional Target CPA) - Best for  uniform-value lead gen.

Maximize Conversion Value
(Optional Target ROAS) - Best for  varied-value purchase goals.

 Prerequisite: Mandatory UET tag installation prior to launch (unless utilizing offline conversion uploads).



[RED WARNING BOX]

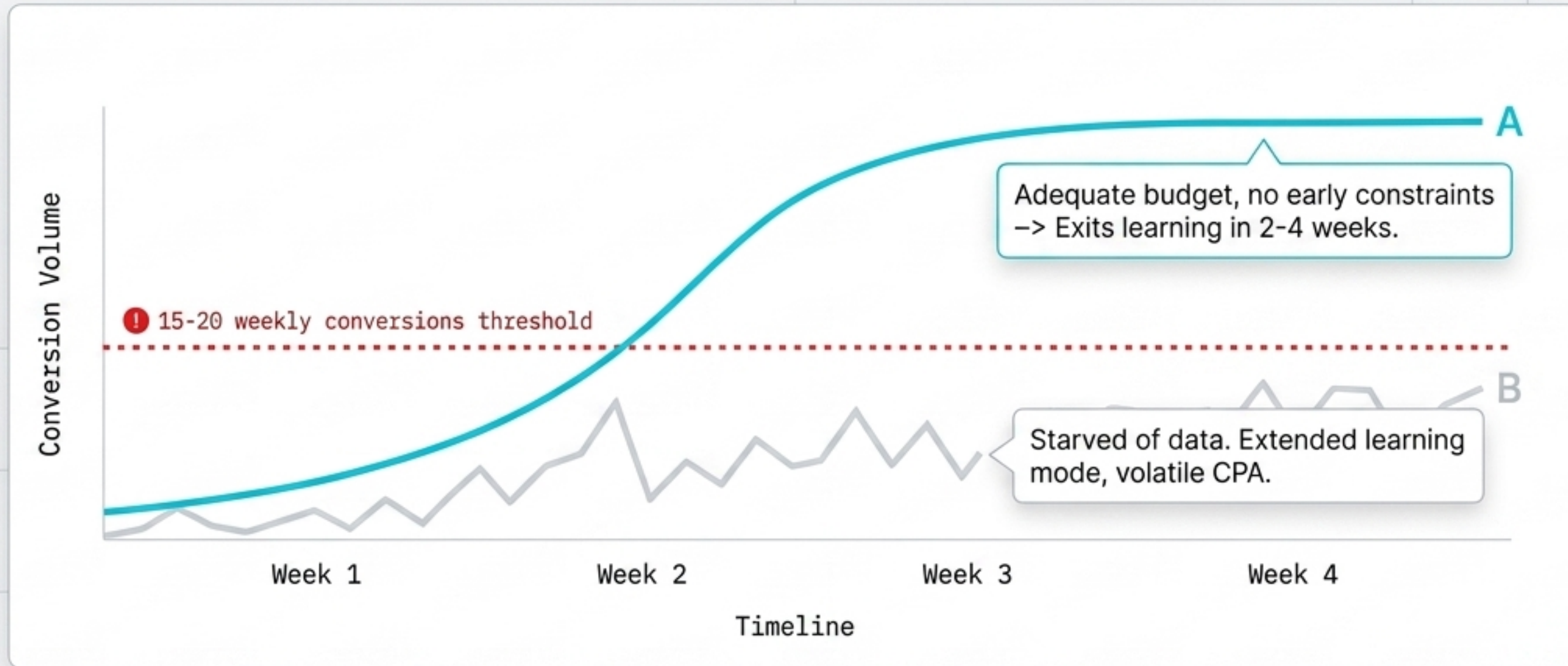
RED WARNING BOX

THE SHARED BUDGET PITFALL

Unlike standard Search campaigns, PMax campaigns do not support shared budgets.

Every PMax campaign must have an isolated daily budget. Attempting a shared budget configuration will trigger a system setup error.

Surviving the AI Learning Phase



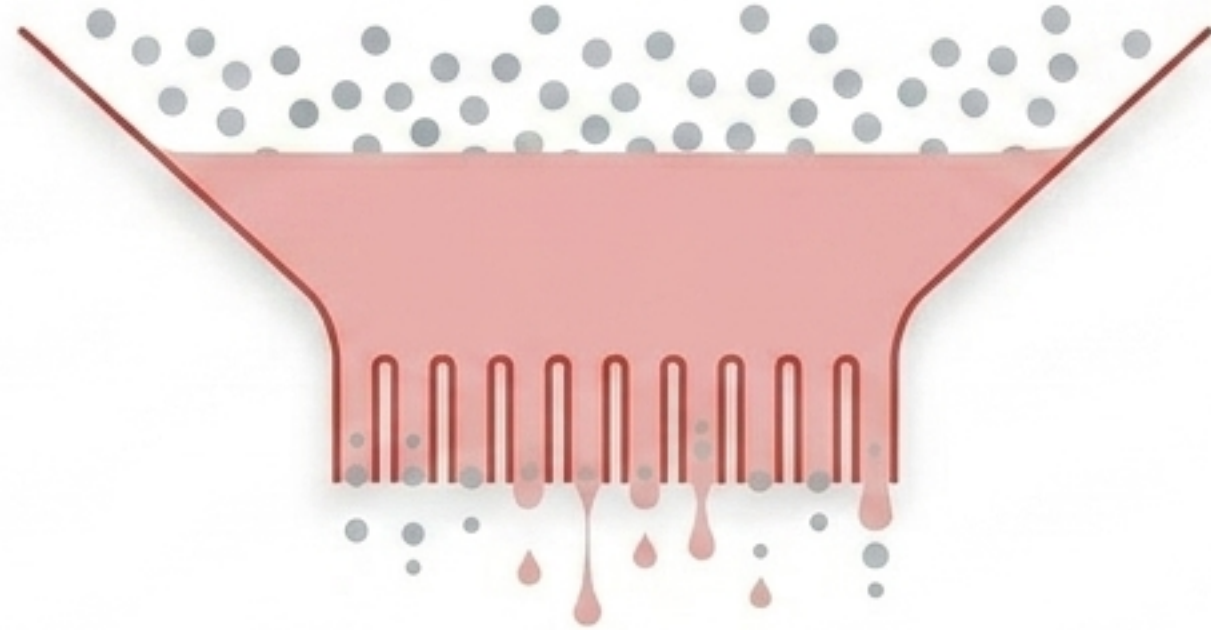
Control Room Readout

Launch with Maximize Conversions/Value without efficiency targets. Wait until 30+ conversions have accumulated before layering in Target ROAS or Target CPA. Setting targets too early chokes the AI.

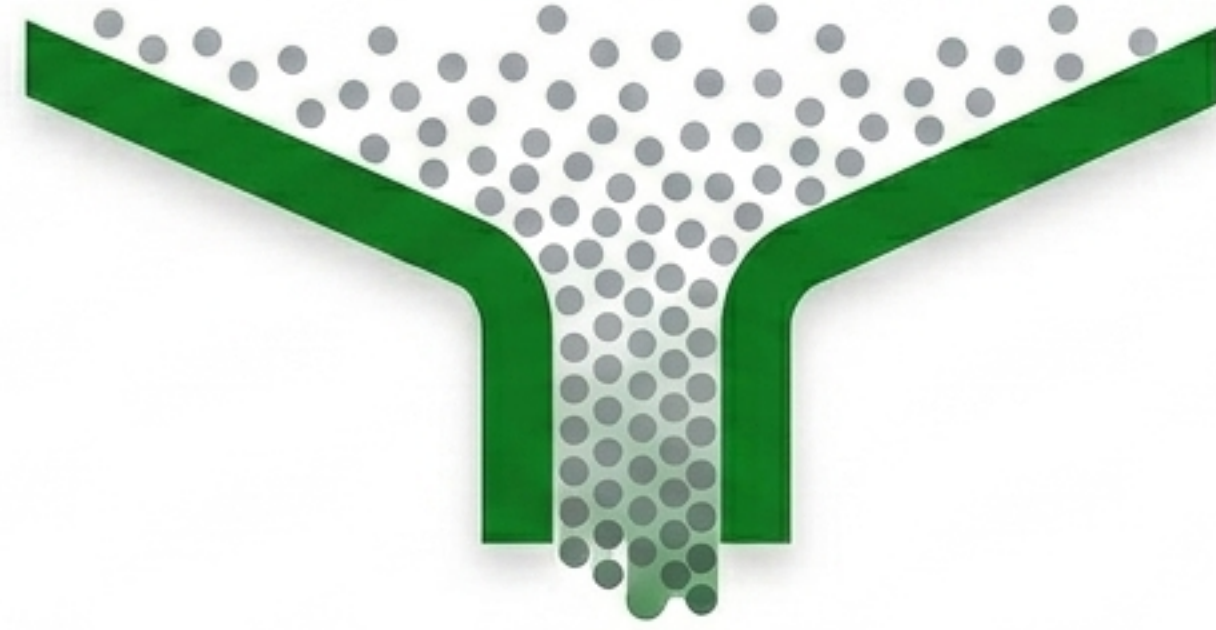
The Segmentation Trap: Do Not Dilute Your Data

A common Google migrant mistake is creating 10+ hyper-granular asset groups on day one. This starves every individual container of the 15-20 weekly conversions required to exit the learning phase.

10+ ASSET GROUPS (DATA STARVED)



2 CONSOLIDATED ASSET GROUPS (DATA RICH)



[THE FLYEASE BASELINE]

For our worked example, travel OTA FlyEase wants to sell flights and packages. Instead of segmenting by every destination city, we will build just two powerful, high-density Asset Groups based on core user intent: Domestic vs. International.

The Intent Blueprint: FlyEase Asset Architecture

AG_DomesticFlights

Final URL: flyease.com/flights/domestic

Visuals



1.91:1



1:1

Search Themes: 'cheap domestic flights',
'round-trip US flights'

Audience: In-market travel + Past site visitors

AG_InternationalPkgs

Final URL: flyease.com/packages/international

Visuals



1.91:1



1:1

Search Themes: 'international travel deals',
'Europe vacation packages'

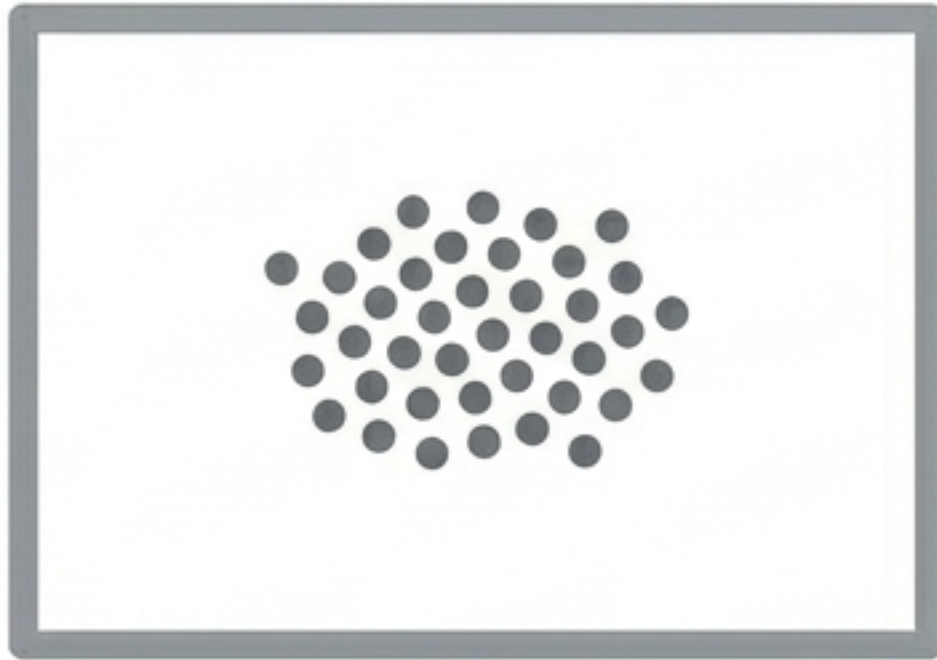
Audience: Premium subscription list

Insight Bar

Distinct intent signals dictate distinct Final URLs, creatives, and search themes. The AI now has distinct optimization paths for two different buyers.

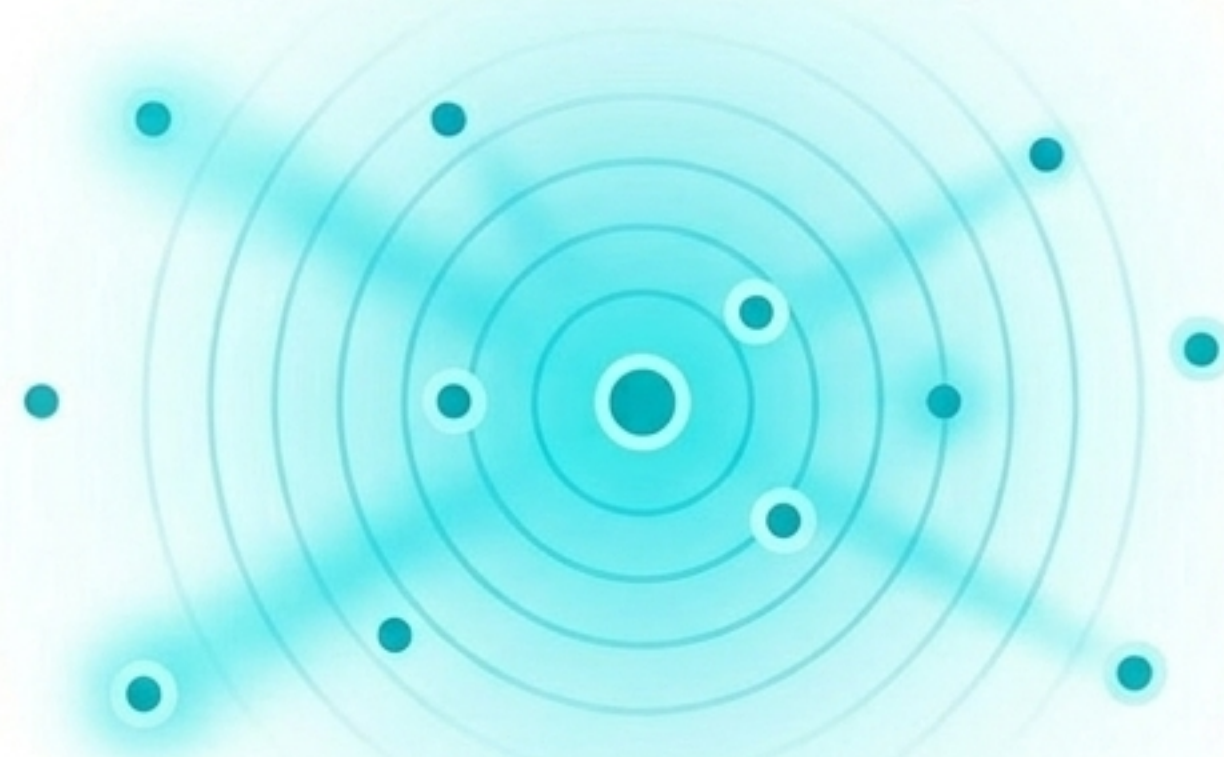
Search Themes are Signals, Not Fences

The Keyword Metaphor



[Exact Match]

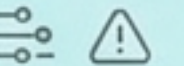
The Search Theme Metaphor



Directional AI Signal

Search themes give the AI a starting context. The system is not obligated to match them literally and will explore semantically related queries.

! LIMIT UPDATE



As of Jan 2026, Microsoft doubled the capacity. You can now supply up to 50 search themes per asset group. Do not remove broad themes expecting it to act as a negative keyword.

Asset Density: Compliance vs. Mastery

The Minimum Setup (Compliance)

Headlines: Minimum 3 ✓

Long Headlines: Minimum 1 ✓

Descriptions: Minimum 2 ✓

Images: Minimum 1 Landscape (1.91:1)
+ 1 Square (1:1) ✓

The Strategic Setup (Mastery)

Headlines: Mastery 15
(Max combinatorial coverage) ✓

Long Headlines: Mastery 5 ☰

Descriptions: Mastery 5 ☰

Images: Mastery 20 images covering all
10 supported aspect ratios 📶

⚠️ CRITICAL SYSTEM WARNING

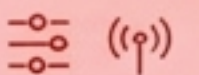
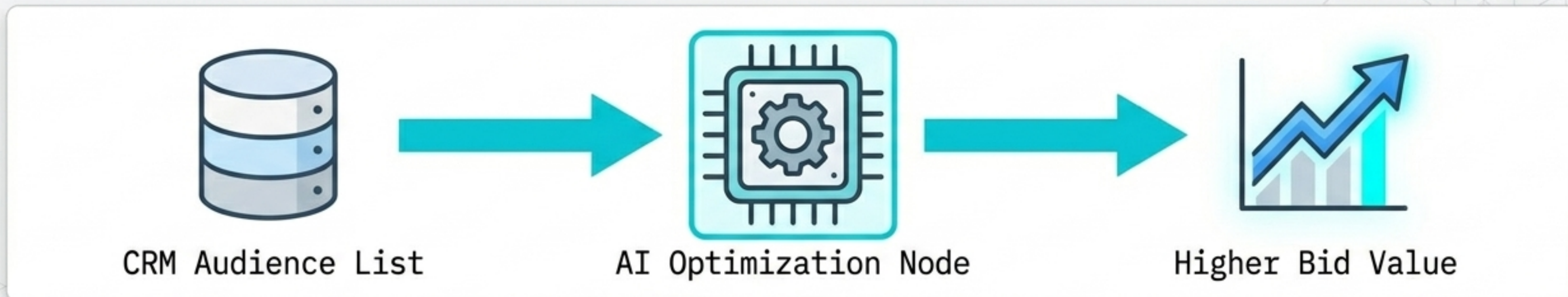


IMAGE COMPRESSION HAZARD: Upload JPEGs directly. While PNG is supported, Microsoft Advertising servers auto-convert PNGs to JPEG, which can cause severe quality degradation on gradients and text overlays. Keep files under 5MB.

The NCA Goal: Valuing New Customers (Open Beta)

The New Customer Acquisition (NCA) Goal uses your uploaded CRM lists to classify converters. You assign an `AdditionalConversionValue` to explicitly train the AI to prioritize net-new buyers.



The FlyEase Math

Scenario: FlyEase launches a premium subscription.

Average Order Value:	\$100
Recommended NCA Uplift:	30%
New Value Signal to AI:	\$130

⚠️ TELEMETRY ALERT

List accuracy is everything. Stale CRM lists cause the system to mislabel returning customers as 'new', causing the AI to over-bid and inflate acquisition costs. Refresh lists weekly.

NCA Goal Configuration: Choose Your Mechanism

BID-ONLY MODE (= true)

- **Mechanism:** Bids higher for new customers, but still shows ads to existing customers.
- **Use Case:** The optimal default. Generates incremental reach without starving the algorithm of returning-customer conversion data.

EXCLUSIVE MODE (= false)

- **Mechanism:** Shows ads ONLY to new customers. Returning customers are actively blocked.
- **Use Case:** Extreme acquisition campaigns only.
- **Danger:** Severely restricts total reach and can cause delivery drop-offs if enabled accidentally.

Unlocking the Black Box: May 2026 Transparency Reports

Microsoft recently rolled out three dedicated PMax transparency reports, allowing you to audit exactly where and why budget is deployed.

Website URL (Publisher) Report

Spends, clicks, and ROAS broken down by network placement URL.

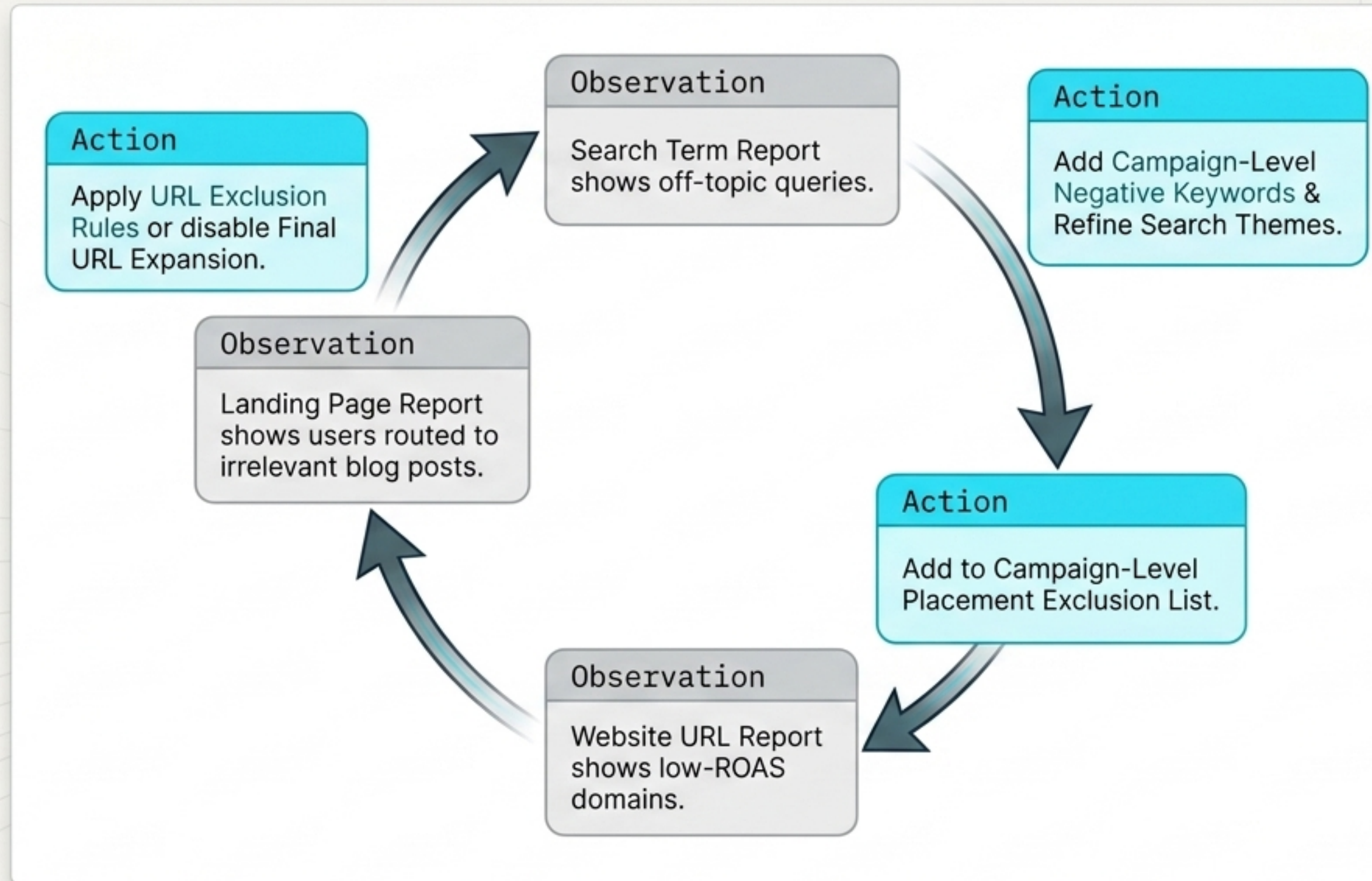
Landing Page Report

Performance mapped by Final URL. Reveals routing behavior.

Search Term Report

The newest addition. Reveals the actual user queries that triggered PMax ads.

The PMax Optimization Loop



Search Term Optimization in Action

Scenario: FlyEase's 'Domestic Flights' group is gathering irrelevant impressions.

Query	Imp	Conv
book domestic flight today	1,200	45
flight simulator game free	3,400	0

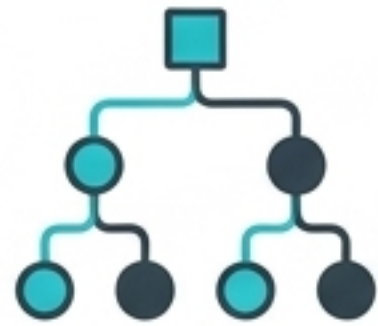
The Marketer's Intervention

1. Do NOT just delete the 'domestic flights' search theme.
2. Apply 'simulator' and 'game' as self-serve negative keywords (available 2026).
3. Update search themes to reinforce purchase intent: add 'domestic airline deals'.

Placement & Routing Telemetry

Routing Check (Landing Page Report)

System Label: 0012 Data: NONE



Travel OTAs have thousands of deep pages. **Final URL Expansion** (enabled by default) lets the AI route users beyond your Asset Group's single URL.

If the Landing Page report shows users landing on unrelated policy pages, apply **URL exclusion rules** rather than turning off expansion entirely.

Placement Warning (Website URL Report)

System data Stat: PROB

Do not aggressively exclude placements during the learning phase. The AI needs **bad placements** to learn the boundaries of good ones.

Evaluate URL performance over multiple weeks and a full conversion cycle before excluding.

System Check: Pre-Launch Sequence

Pre-Flight Launch Sequence

- [X] Budgets Isolated:** Confirmed no shared budgets are applied. Daily budget sized to support 15-20 weekly conversions.
- [X] Constraints Lifted:** Target CPA/ROAS disabled for the 2-4 week AI learning phase.
- [X] Architecture Consolidated:** Intent-based asset groups utilized; hyper-segmentation avoided.
- [X] Assets Maximized:** 15 JPEGs uploaded, max headlines written, 50 search themes deployed.
- [X] NCA Configured:** CRM lists refreshed; Bid-Only mode activated for new customer uplift.

Dashboard calibrated. You are ready to deploy Performance Max on Microsoft Advertising.