In this report, we explore the top search trends and takeaways for the banking industry in Australia. We detail ways in which financial service providers can create richer value propositions for specific financial products and segments, through the better use of customer data.
# AGENDA

## Overview
1. Key takeaways
2. Industry overview
3. The banking audience on Bing
4. Seasonality

## Key product insights
5. Credit card
6. Home loan
7. Personal loan
8. Superannuation

## Next steps
9. To-do list
10. Tools and tactics to achieve more
KEY TAKEAWAYS

1. Significant year on year growth among a diverse set of financial players, including “The Big 4”, super funds, non-bank lenders and aggregators.

2. Seasonal trends for product types are growing rapidly in Bing searches in 2017 - like low interest credit card, fixed rate home loan and car loan.

3. Consumers have banking matters on their minds all year around. 10.4% of Bing users are likely to switch their main financial institution in the next 6 months¹.

Powerful forces reshaping the Australian banking industry

**Changing demographics**

The population is becoming older, increasingly urbanized, richer, more diverse and more interconnected across national boundaries.

**Changing technology**

Opportunity to leverage data and analytics to create richer, more targeted value propositions to target specific segments.

**Consumer behaviour**

Consumers are better educated, confident and trusting - as well as better informed to assess their options to get a better deal.

Source: PWC, Escaping the commodity trap & The future of banking in Australia, 2016. [Web]
It’s never been easier to compare and switch financial products.
“The Big 4” continue their year-on-year (YoY) growth trajectory in Bing

The banks continue to introduce new products to meet customer needs

SEARCH VOLUME GROWTH

<table>
<thead>
<tr>
<th>Bank</th>
<th>Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>NAB</td>
<td>+55%</td>
</tr>
<tr>
<td>Westpac</td>
<td>+34%</td>
</tr>
<tr>
<td>CBA</td>
<td>+31%</td>
</tr>
<tr>
<td>ANZ</td>
<td>+27%</td>
</tr>
</tbody>
</table>

Source: Microsoft internal data, Jan. 2015 – Dec. 2016, Australia, all devices. Note: Queries containing brand plus financial product name (e.g. “nab credit card”).
A diverse set of financial players have grown significantly in 2016

Consumers have more choice than just “The Big 4” banks

+40%  
search growth for supermarket credit cards

34%  
search growth for non-bank lenders

+16%  
search growth for financial aggregators

↑55%  
Coles

↑59%  
Wallet Wizard

↑35%  
Canstar

Finder, Credit Card Compare and Coles Insurance are receiving 18% share of traffic.

“The Big 4” dominance for credit card applications is being challenged.


Those who have searched for “best credit card”, “transfer credit card”, “credit card rewards”, “compare credit cards, “low fee/rate credit cards” and apply for a credit card. 
# State of play in the Australian banking sector

## Intensifying competition has the potential to weigh on industry profitability

<table>
<thead>
<tr>
<th>Opportunity</th>
<th>Threats</th>
<th>Challenges</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Australian banking system has remained solid when other global banks and financial markets stumbled. <strong>Industry is projected to grow</strong> over the next five years, on the back of <strong>rising interest rate</strong>. <strong>Revenue is forecast to rise at an annualised 3.3%</strong>, over the five years through 2022-23, to <strong>$174.5 billion</strong>.</td>
<td><strong>Government is promoting competition</strong> in the industry. Credit unions and building societies have converted to banks over the past five years. The entry of mutual banks has increased competition. <strong>Competition also come from non-traditional lenders</strong>, like mortgage originators and non-bank financiers.</td>
<td><strong>Tech-savvy millennials</strong> are the core of banking consumers with evolving and generally <strong>high expectations</strong>. Banks need to devise <strong>innovative ways</strong> for providing simple, convenient banking solutions to <strong>provide better customer experience</strong> and keep their customers loyal.</td>
</tr>
</tbody>
</table>

The banking audience on Bing
More than half of Bing users have a credit card . . .

. . . and Bing users are almost 2.4X more likely to have an owner occupied home loan than an investment home loan

<table>
<thead>
<tr>
<th>Loan Type</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Credit card</td>
<td>54%</td>
</tr>
<tr>
<td>Home loan own</td>
<td>29%</td>
</tr>
<tr>
<td>Home loan invest</td>
<td>12%</td>
</tr>
<tr>
<td>Personal loan</td>
<td>11%</td>
</tr>
<tr>
<td>Car loan</td>
<td>10%</td>
</tr>
</tbody>
</table>

573,000 Bing users are likely to change their main financial institution in the next 6 months.


* % of Bing audience who are likely to switch main financial institution in the next 6 months.
Seasonality
The banking opportunity is growing on Bing

There is a strong seasonality pattern with peaks in January, March and May

+29% search volume growth in FY17 compared to FY16

+31% click volume growth in FY17 compared to FY16

Consumers have money matters on their minds all year around

Australian focus on different areas of personal finance at different times of the year

- **Get super in order for EOFY**: Interest for self managed super fund peaks.
- **Spring auction market**: Search interest for first-home buyers peaks.
- **End of year car sales**: Car loan related search interest peaks.
- **Buying on credit cards**: Search interest for low interest credit cards peaks.

Four strategies to capture seasonal banking uplifts in 2017-2018

Leverage search seasonality to connect with your audience at the right time

1. Adjust demographic targeting. Majority of super searches are people aged 50-64.

2. Increase ad copy relevancy for home loan searches related to borrowing capacity.

3. Invest in generic keywords for car loan to increase awareness of your band.

4. Adjust bid and budget according to expected demand increases for credit cards.

KEY PRODUCT INSIGHTS
Credit cards
Search volume for credit cards continues its growth trajectory by +15% YoY

**Invest during seasonal periods to take advantage of spikes in March and May**
Search volume in May was 18% higher than the monthly average.

There is also an opportunity to capitalise on the strong seasonal uplifts in search volume during February-June.

Search for non-brand terms was 1.6x higher in H1 2017 compared to H2 2016

Investing in generic terms during H1 can increase awareness for your brand

Click volume for non-brand terms peaked in January, March and May

Enable Structured Snippets extensions to highlight specific aspects of products during seasonal peaks

“The Big 4” hold 16% share of brand searches for credit cards

The market is fragmented when it comes to top searched brands. Leverage broad match targeting to capture searches associated with your queries

SHARE OF “THE BIG 4” SEARCHES

<table>
<thead>
<tr>
<th>Brand</th>
<th>Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>ANZ</td>
<td>38%</td>
</tr>
<tr>
<td>NAB</td>
<td>27%</td>
</tr>
<tr>
<td>CBA</td>
<td>18%</td>
</tr>
<tr>
<td>Westpac</td>
<td>17%</td>
</tr>
</tbody>
</table>

SHARE OF BRAND SEARCHES

<table>
<thead>
<tr>
<th>Brand</th>
<th>Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>AMEX</td>
<td>27%</td>
</tr>
<tr>
<td>Coles</td>
<td>32%</td>
</tr>
<tr>
<td>Qantas</td>
<td>17%</td>
</tr>
<tr>
<td>Woolworths</td>
<td>7%</td>
</tr>
<tr>
<td>NAB</td>
<td>4%</td>
</tr>
<tr>
<td>CBA</td>
<td>3%</td>
</tr>
<tr>
<td>ANZ</td>
<td>6%</td>
</tr>
<tr>
<td>Velocity</td>
<td>3%</td>
</tr>
<tr>
<td>Westpac</td>
<td>3%</td>
</tr>
</tbody>
</table>

The 35-64 age group make up the majority of credit card related searches

**Apply bid adjustments to increase ad exposure for the age group 35-64**

### Age groups

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>18-24</td>
<td>6%</td>
</tr>
<tr>
<td>25-34</td>
<td>18%</td>
</tr>
<tr>
<td>35-49</td>
<td>28%</td>
</tr>
<tr>
<td>50-64</td>
<td>39%</td>
</tr>
<tr>
<td>65+</td>
<td>9%</td>
</tr>
</tbody>
</table>

### Gender

- Male: 58%
- Female: 42%

Product type related searches are growing YoY

Consumers are increasingly searching for credit cards which offer competitive interest rates and ways to consolidate their debt

Low interest credit cards (+low interest, +low rate) +136%
Balance transfer credit cards (+balance +transfer) +60%
Supermarket credit cards (+Coles, +Woolworths) +17%
Rewards credit cards (+frequent flyer, +Qantas, +velocity) +2%

Search volume for supermarket credit cards increased significantly YoY

Create remarketing lists to serve customised ads for cross-selling or up-selling products to a specific audience

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Rewards Credit Cards</th>
<th>Supermarket Credit Cards</th>
</tr>
</thead>
<tbody>
<tr>
<td>18-24</td>
<td>-12%</td>
<td>-1%</td>
</tr>
<tr>
<td>25-34</td>
<td>-14%</td>
<td>16%</td>
</tr>
<tr>
<td>35-49</td>
<td>-7%</td>
<td>25%</td>
</tr>
<tr>
<td>50-64</td>
<td>22%</td>
<td>51%</td>
</tr>
<tr>
<td>65+</td>
<td>18%</td>
<td>35%</td>
</tr>
</tbody>
</table>

User engagement is the highest in January and around EOFY as suggested by increased CTR.

**Higher CTR results in a lower CPC around these key seasonal periods**

Home loan
Search volume grew by 15% YoY during spring and summer “selling period”\(^2\)

**Invest during seasonal periods to take advantage of search growth during September-March**

Search volume in January was 15% higher than the monthly average.

**Capitalise on the strong seasonal uplifts in search volume during September-March.** There is also a strong interest in July-August leading up to the selling season.

Search for non-brand in January-March was 1.7x higher compared to brand terms.

When researching home loan options, Bing users rely heavily on non-brand terms to evaluate their options.

Click volume for non-brand terms was 1.21x higher in H1 2017 compared to H2 2016.

Enable Sitelink Extensions to take customers directly to distinct products during seasonal uplifts in January-March and May.
“The Big 4” hold 72% share of brand searches for home loan

Top brand searches for home loan exhibit a high level of share concentration. Leverage broad match targeting to capture searches associated with your queries.
The majority of home loan queries are performed by the 35-64 segment

**Apply bid adjustments to increase ad exposure for the age group 35-64**

Borrowing capacity related searches are growing YoY

Keep an eye on fixed rate home loans and first-home buyers trends for the coming seasonal selling period

+61%  Fixed rate home loan (+fixed rate)
+43%  +how much can I borrow
+24%  +first home buyer
+8%   Mortgage and loan calculator

Search volume for fixed rate home loan increased significantly YoY

Create remarketing lists to serve customised ads for cross-selling or up-selling products to a specific audience

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Fixed rate home loan</th>
<th>How much I can borrow</th>
</tr>
</thead>
<tbody>
<tr>
<td>18-24</td>
<td>95%</td>
<td>34%</td>
</tr>
<tr>
<td>25-34</td>
<td>16%</td>
<td>5%</td>
</tr>
<tr>
<td>35-49</td>
<td>22%</td>
<td>34%</td>
</tr>
<tr>
<td>50-64</td>
<td>101%</td>
<td>97%</td>
</tr>
<tr>
<td>65+</td>
<td>111%</td>
<td>27%</td>
</tr>
</tbody>
</table>

User engagement is the highest in H1 as suggested by increased CTR

Higher CTR results in a lower CPC around these seasonal period. Allocate enough budget in November-December when CPC rises

Personal loan
Search volume for personal loan continues its growth trajectory by +9% YoY

Search interest for personal loan soar during the period November-January. Allocate budgets accordingly

Search volume in January was 45% higher than the monthly average.

There is also an opportunity to capitalise on the strong seasonal uplifts in search volume during November to March.

Search for non-brand was 1.2x higher compared to brand terms in January-February

Investing in generic terms during January-February can increase awareness for your brand

Click volume for non-brand terms was 2x higher in December-February compared to three previous months

Enable Structured Snippets extensions to highlight specific aspects of products during December-February
"The Big 4" hold 28% share of brand searches for personal loans

The market is fragmented when it comes to top searched brands. Leverage broad match targeting to capture searches associated with your queries

SHARE OF "THE BIG 4" SEARCHES

ANZ, 40%  CBA, 23%  NAB, 21%  Westpac, 17%

SHARE OF BRAND SEARCHES

Wallet Wizard, 31%  Nimble, 26%  Cash Train, 15%  ANZ, 11%  CBA, 6%  Westpac, 5%  NAB, 6%

The 25-49 age group make up the majority of personal loan related queries. Apply bid adjustments to increase ad exposure for the age group 25-49.

Loan type related searches are growing YoY

Keep an eye on consumers looking to consolidate their debts and securing a car loan

+51% Loan and debt consolidation
+35% Car loan
+22% Pay day loan
+8% Personal loan calculator

Search volume for loan and debt consolidation increased significantly YoY

Create remarketing lists to serve customised ads for cross-selling or up-selling products to a specific audience

<table>
<thead>
<tr>
<th></th>
<th>Car loan</th>
<th>Loan and deb consolidation</th>
</tr>
</thead>
<tbody>
<tr>
<td>18-24</td>
<td>1%</td>
<td>30%</td>
</tr>
<tr>
<td>25-34</td>
<td>6%</td>
<td>3%</td>
</tr>
<tr>
<td>35-49</td>
<td>20%</td>
<td>46%</td>
</tr>
<tr>
<td>50-64</td>
<td>103%</td>
<td>132%</td>
</tr>
<tr>
<td>65+</td>
<td>81%</td>
<td>73%</td>
</tr>
</tbody>
</table>

Device split remained similar YoY with little change expected in FY18

**Continue to optimise and budget primarily for desktop traffic**

User engagement is the highest in December-April period

Higher CTR results in a lower CPC around these seasonal period. Plan budget for July-November when auction is heated

Superannuation
Search volume for superannuation continues its growth trajectory by +7% YoY

**Invest during seasonal periods to take advantage of spikes in January, May and June**

Search volume in June was 15% higher than the monthly average

There is also an opportunity to capitalise on the strong seasonal uplifts in search volume around the end of financial year (EOFY)

Search for brand terms peaked in the months before and after EOFY

Invest in brand terms during May-August to control the experience with your brand

Click volume for non-brand was 3.2x higher in H1 2017 compared H2 2016

Enable Sitelink Extensions to take customers directly to distinct products during seasonal uplifts in February-June

AustralianSuper and Qsuper hold 43% share of brand searches for super funds.

Top brand searches for super funds exhibit a high level of share concentration. Leverage broad match targeting to capture searches associated with your queries.

The majority of superannuation queries are performed by the 50-64 segment.

Apply bid adjustments to increase ad exposure for the age group 50-64.

Age groups:
- 18-24: 7%
- 25-34: 17%
- 35-49: 24%
- 50-64: 43%
- 65+: 9%

Gender:
- Male: 56%
- Female: 44%

Super performance related searches are growing YoY

Keep an eye on consumers looking to compare options and performance of their super

+46%  
Compare super funds (+best, +compare, +comparison)

+39%  
Self managed super fund (SMSF)

+17%  
Superannuation returns

-40%  
Superannuation withdrawals

Search volume for “compare super funds” increased significantly YoY

Create remarketing lists to serve customised ads for cross-selling or up-selling products to a specific audience

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Self managed super fund</th>
<th>Compare super funds</th>
</tr>
</thead>
<tbody>
<tr>
<td>18-24</td>
<td>-22%</td>
<td>-1%</td>
</tr>
<tr>
<td>25-34</td>
<td>11%</td>
<td>30%</td>
</tr>
<tr>
<td>35-49</td>
<td>11%</td>
<td>40%</td>
</tr>
<tr>
<td>50-64</td>
<td>60%</td>
<td>106%</td>
</tr>
<tr>
<td>65+</td>
<td>51%</td>
<td>37%</td>
</tr>
</tbody>
</table>

User engagement is the highest in March-June period.

Higher CTR results in a lower CPC around these seasonal period. Set up Automated Rules to help you respond to bidding and CTR changes automatically.

NEXT STEPS
The market is fragmented when it comes to top searched brands for banking products on Bing.

Share of searches for brand terms is high across most financial products, Bing users rely on brands to evaluate their options.

Strong seasonal uplifts of non-brand terms.

1. Expand your keyword coverage via search query reports and keyword suggestions to capture wide variety of searches.
2. Own your brand terms and messaging. Use remarketing lists to enhance in-search experience (e.g. returning visitors).
3. Review campaign budget caps and allow for increases during hot seasonal periods.

To-do list to engage banking users and see an impact on revenue

Create a personalised experience based on the consumer’s intent

**Insight**

1. The most valuable demographic with the highest search volume differs substantially across financial products.
2. Search volume for product type and features is increasing YoY for both young and mature audiences.
3. Device split remained similar YoY with little change expected in FY18.

**Action**

1. Apply bid adjustments according to financial product to increase ad exposure to primary age group.
2. Create remarketing lists to serve customised ads for cross-selling or up-selling products to a specific audience.
3. Continue to optimise and budget primarily for desktop traffic.

To-do list to engage banking users and see an impact on revenue

Build your brand trust and drive conversion with ad extensions

**Insight**

1. In the vertical Finance Services & Insurance, CTR performance increases with incremental ad extensions adoption up to Text Ad+3 ad extensions.

2. Text Ad+Location Extensions+3 or Text Ad+Image+2 ad extensions yielded the best CTR performance.

**Action**

1. Increase engagement by adopting multiple ad extensions.

2. Utilise Enhanced Sitelinks to create a tailored connection with your potential customers.

3. Leverage the value of reviews using the Review Extension to increase consumer confidence.

Tools and tactics to achieve more

Choose the right Bing Ads feature to pursue banking customers

Drive foot traffic to your business.
- Location Extensions
- Location targeting

Increase ad clicks.
- Structured Snippet Extensions
- Sitelink Extensions and Enhanced Sitelinks

Build your brand trust.
- Security Badge Annotation
- Merchant Rating Annotation
- Review Extensions

Target unique audiences.
- Device targeting
- Demographic targeting

Sell your products online.
- Bing Shopping Campaigns
- Elite Merchant Badge

Get more phone calls to your business.
- Call Extensions
- Day and time targeting

Acquire new customers.
- Remarketing in Paid Search
- Universal Event Tracking

Increase app installs and usage.
- App Extensions
- Mobile device targeting

Streamline your campaign management.
- Google Import
- APIs for UET tags, conversion goals and Remarketing in Paid Search
- Automated Rules
Connect with a search specialist who can help you get started today.

Call 1800 030 716 or check out

Getting started

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