

Tax time

# Financial vertical analysis

FY15 (AU)

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# Contents of this insights study

## Tax time and the Australian financial landscape

- ❑ Tax time historical study and insights: **Accounting and Tax Services** vertical landscape  
**Goal:** Provide a historical study of "Tax Time FY14" to inform future strategies in FY15

- ❑ **Health Insurance** vertical performance during the Australian "tax time" period  
**Goal:** Examining past performance (FY15) data to predict future trends in FY15.

"Tax time" definition  
(income tax return)

# Australian “tax time” defined

Australian “tax time” occurs between the 1st of July and the 31st of October every year. This is the time period where individual tax payers can lodge their tax return with the Australian Tax Office.

## **Australians can submit their tax returns through a number of avenues:**

1. Have a tax professional (accountant) complete and submit the return on their behalf (incurs a fee).
2. Complete the return via a tax form (either online or via a paper form) and mail/send this to the Australian Taxation Office (free service).
3. Use the services of a tax professional or online tax service and have them complete and send the completed tax return to the Australian Taxation Office (incurs a fee).

# Part 1: Accounting and tax products and services insights (July-October 2013)



# Part 1: Accounting and tax products and services insights - executive summary:

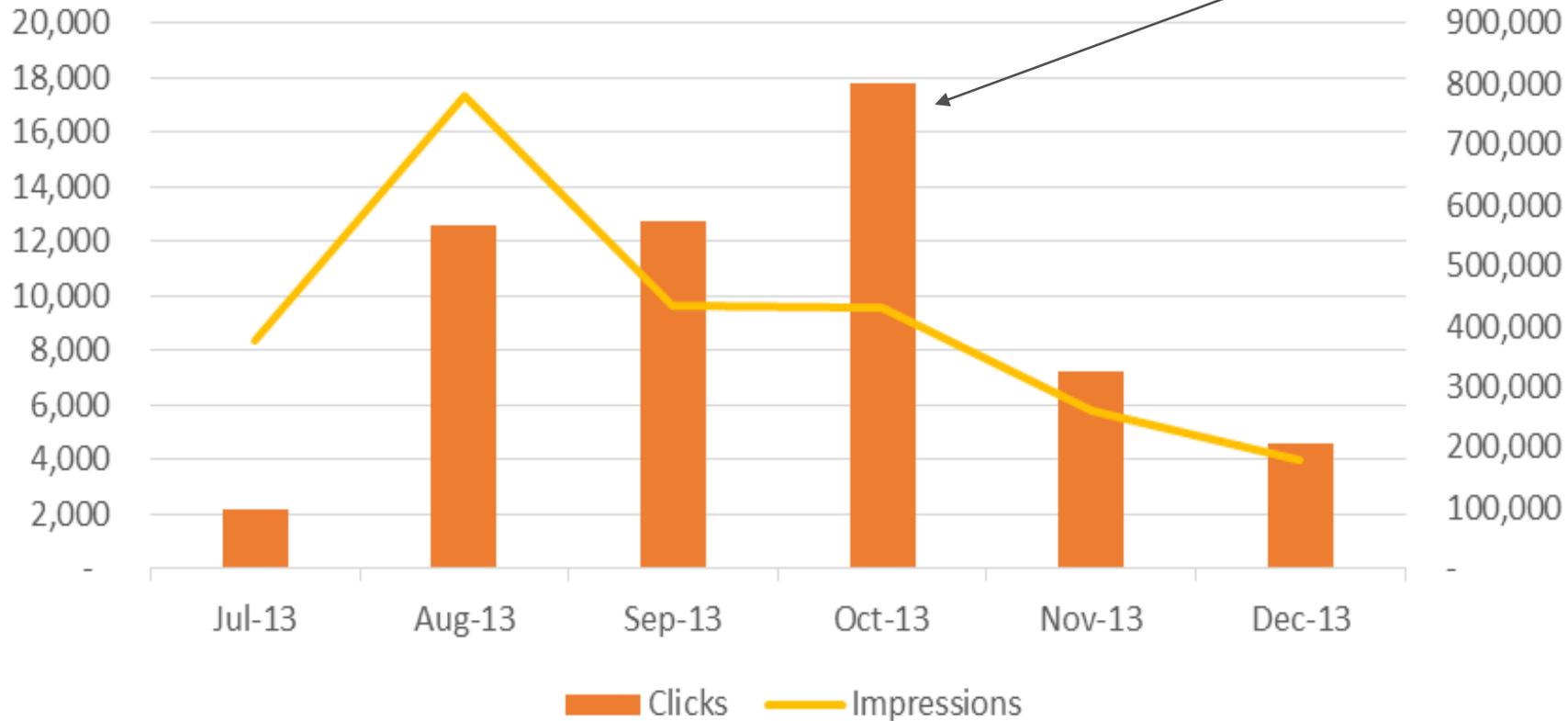
- ❑ **Part 1** of this analysis will focus on the **Accounting and Tax Products and Services** sub-verticals and how their behaviour is determined by the tax time (income tax return) period between the months of July and October.

This study will draw on past volume and performance metrics from last year's "tax time" season (July to October 2013) to provide insights and predictions for possible trends during 2014's income tax return period.



# Tax related click and impression share

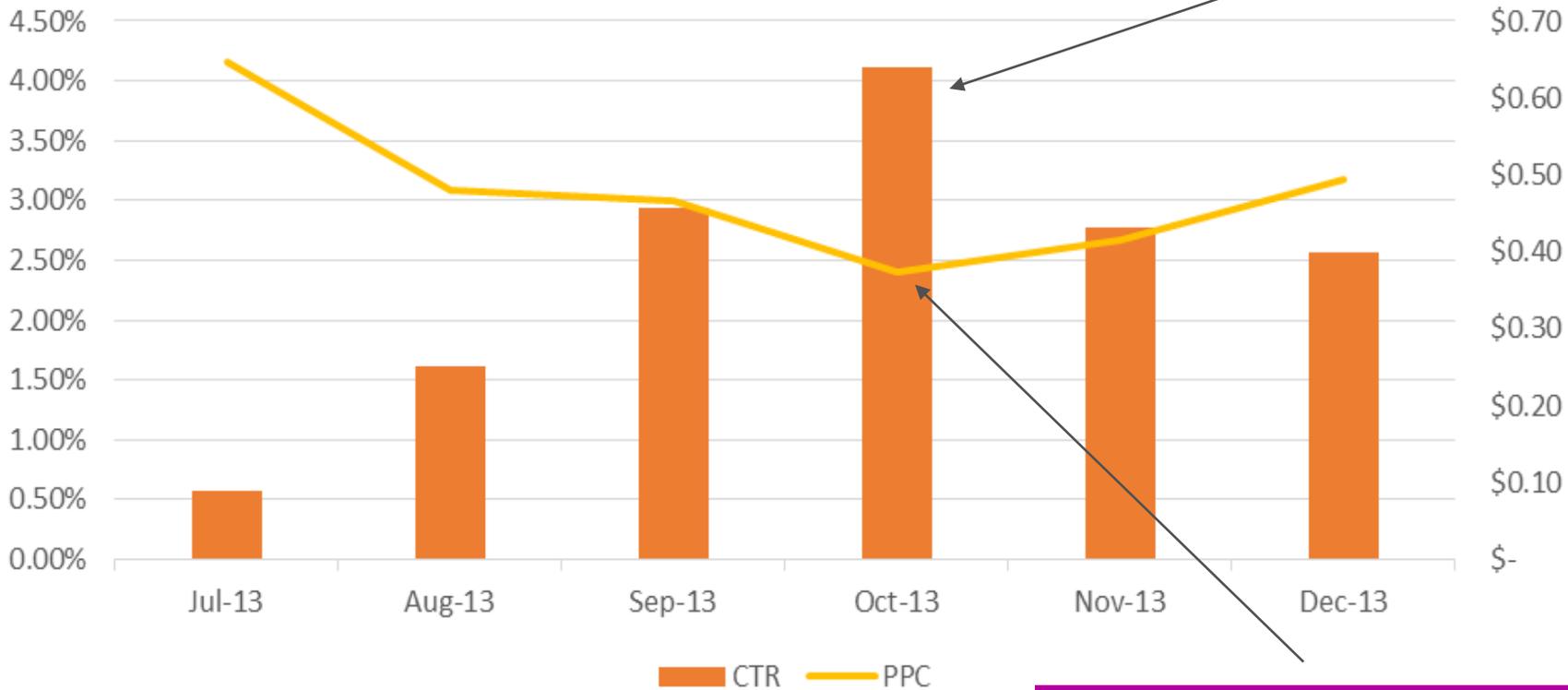
## July-December 2013



There was a sharp incline in click and impression volume metrics starting in August and peaking in October. This indicates that a majority of users were searching using tax-related terms and interacting with related ad copy late in the income tax return season.

# Tax related CTR and CPC metrics

## July-December 2013

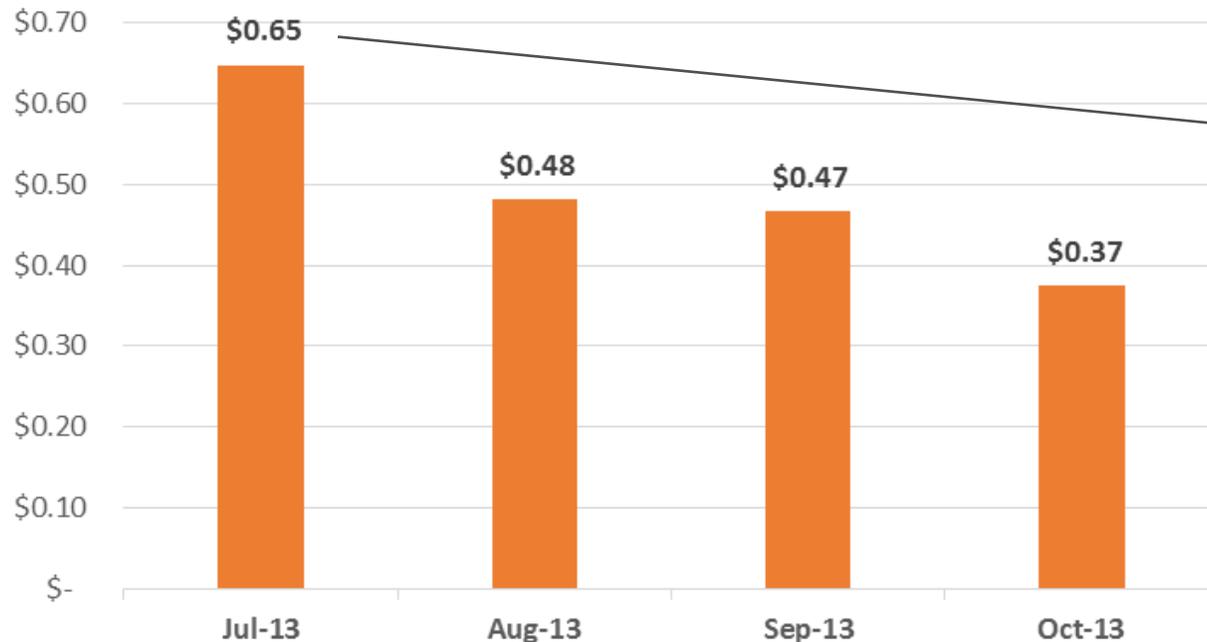


CTR Metrics for tax-related terms/ads also peaked in October, indicating an increase in relevancy during this period.

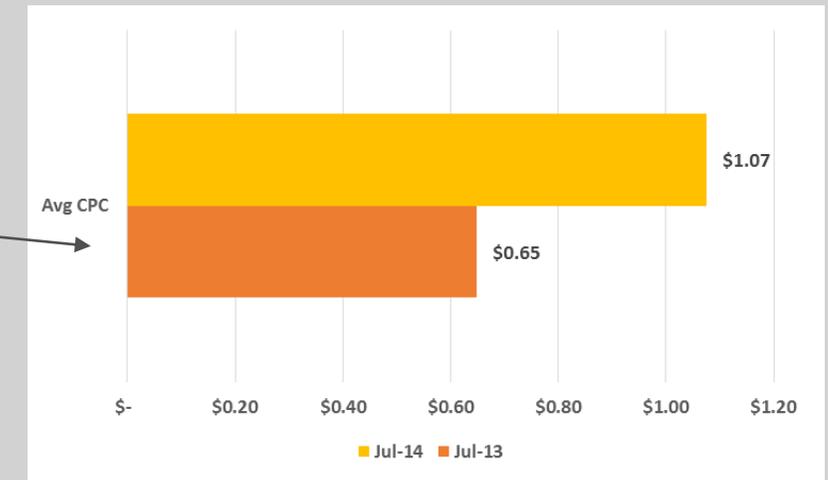
An increase in relevancy during the October period also brought about a drop in the average CPC. This would make it a prime time to capture the attention of these users with ads containing strong "calls to action".

# Average tax related keyword CPCs

## July-December 2013



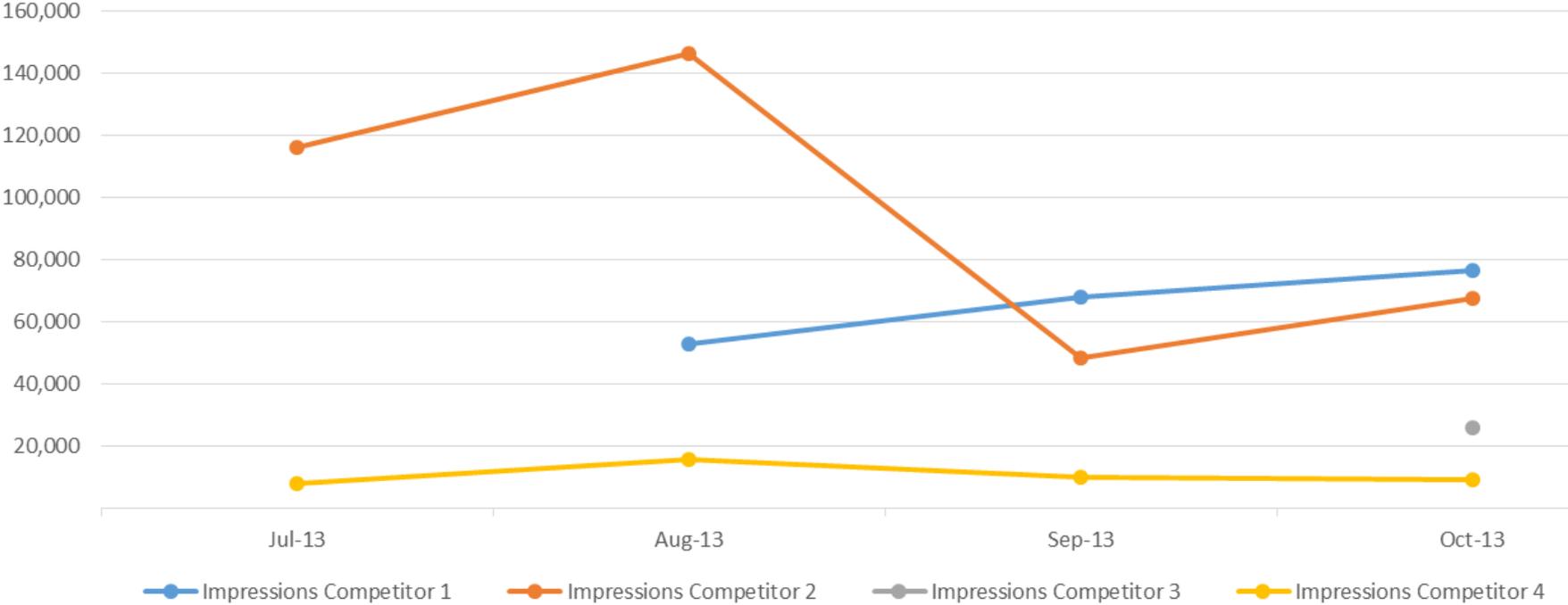
## July 2013 vs July 2014



There was a 65% increase in the average CPC YoY comparing July 2013 to July 2014 for tax-related terms. It is recommended that advertisers account for the increase in spend when setting campaign budgets, especially during peak traffic periods.

# Competitive landscape relating to tax related searches

## July-October 2013



During the FY13-14 tax period there were 4 main competitors in the Market. However, one thing to note is that July 2013 was the launch period for Bing Ads in the Australian/New Zealand Market. The number of competitors are predicted to increase during the FY14-15 income tax return period.

# Top tax related terms by user query

July-October 2013

These represent the most searched for terms relating to the 2013-2014 tax period from July-October 2013



# Part 1: Accounting and tax products and services vertical performance (July-October 2013)

## Recommendations overview

Impressions related to “tax time” increase during the month of August, however click volumes peak during October.

**Recommendations:** There is potential to capitalise on increased interest around income tax in August by creating ad copy that clearly states the advertiser’s USP and any current offers or discounts on early tax return processing.

**There were only 4 main competitors relating to tax services in 2013.**

**Note:** July was when Bing Ads officially launched in the Australian/New Zealand market so there is predicted to be an increase in competitors during the FY2014-2015 tax time period.

**Average CPCs for tax-related terms increased YoY From July 2013-July 2014.**

**Recommendations:** Advertisers should take into consideration the increase in average CPC for this year’s tax period when planning online advertising activity and budgeting. Furthermore, it is recommended that keyword bids are reviewed during each month of the “tax time” period, especially during August and October in order to keep a consistent share of voice.

# Part 2: Health insurance vertical insights during tax time (July-October 2013)

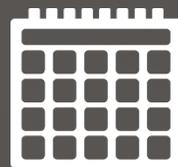


# Australian "tax time" health insurance component

The Australian government encourages the population to sign up for private health insurance before the age of 31.



Under this scheme, Australians must take out hospital cover before 1 July following their 31st birthday to avoid paying LHC loading of 2% for each year you are over 30.



This scheme directly relates to the "tax time" period, as it is during this time that Australians must declare if they had purchased health insurance whilst filling out their tax return. Therefore, health cover and tax time have a direct seasonal link.

## Part 2: Health Insurance insights study - executive summary

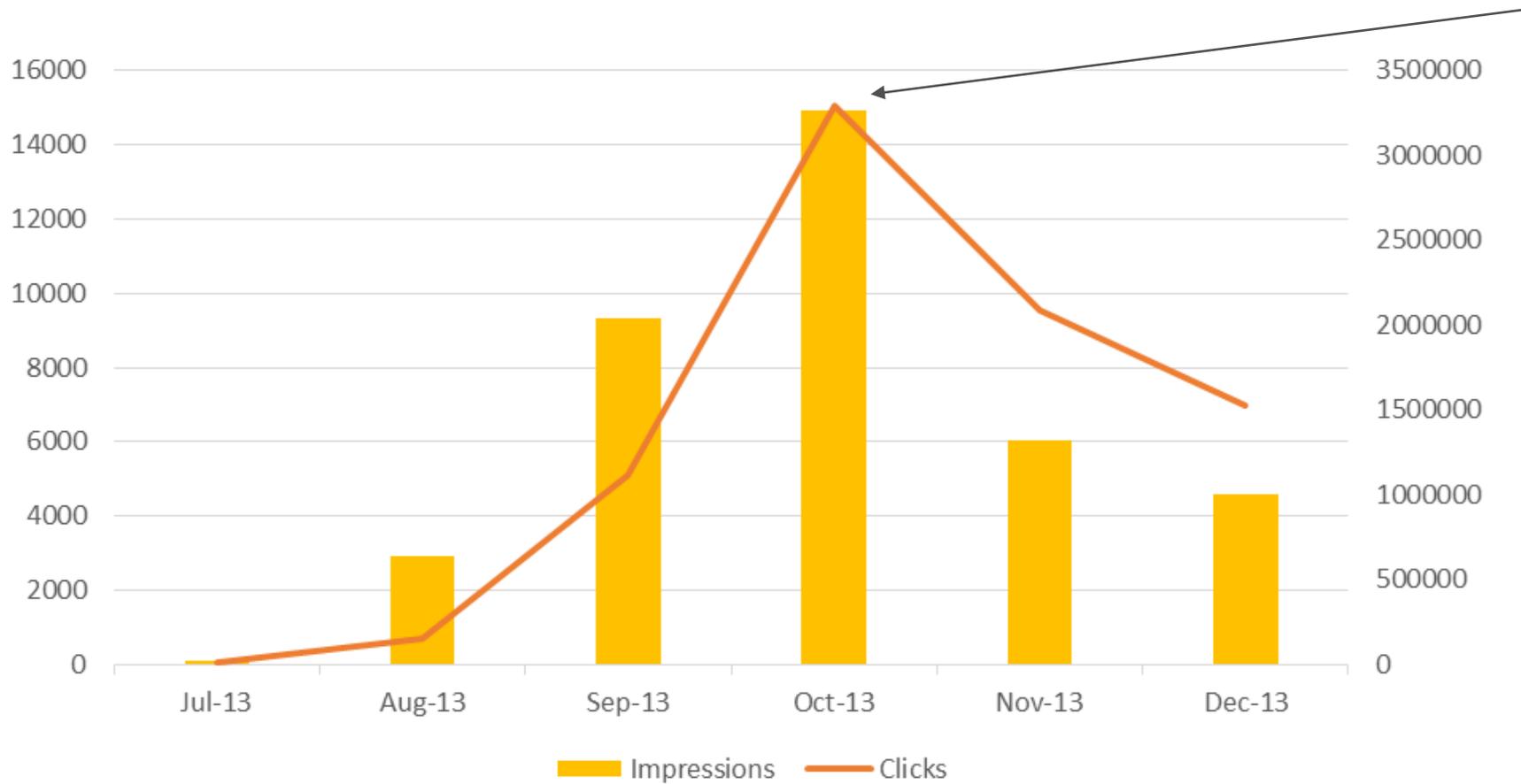
- ❑ **Part 2** of this analysis will focus on the **health insurance** sub-vertical and its behaviours during the income tax return (“tax time”) period.

Volume and performance data will be analysed from the previous year’s tax time period (July-October 2013) in order to provide information on possible key trends and action points for advertisers in this vertical from July through to October 2014.



# Health insurance volume metrics

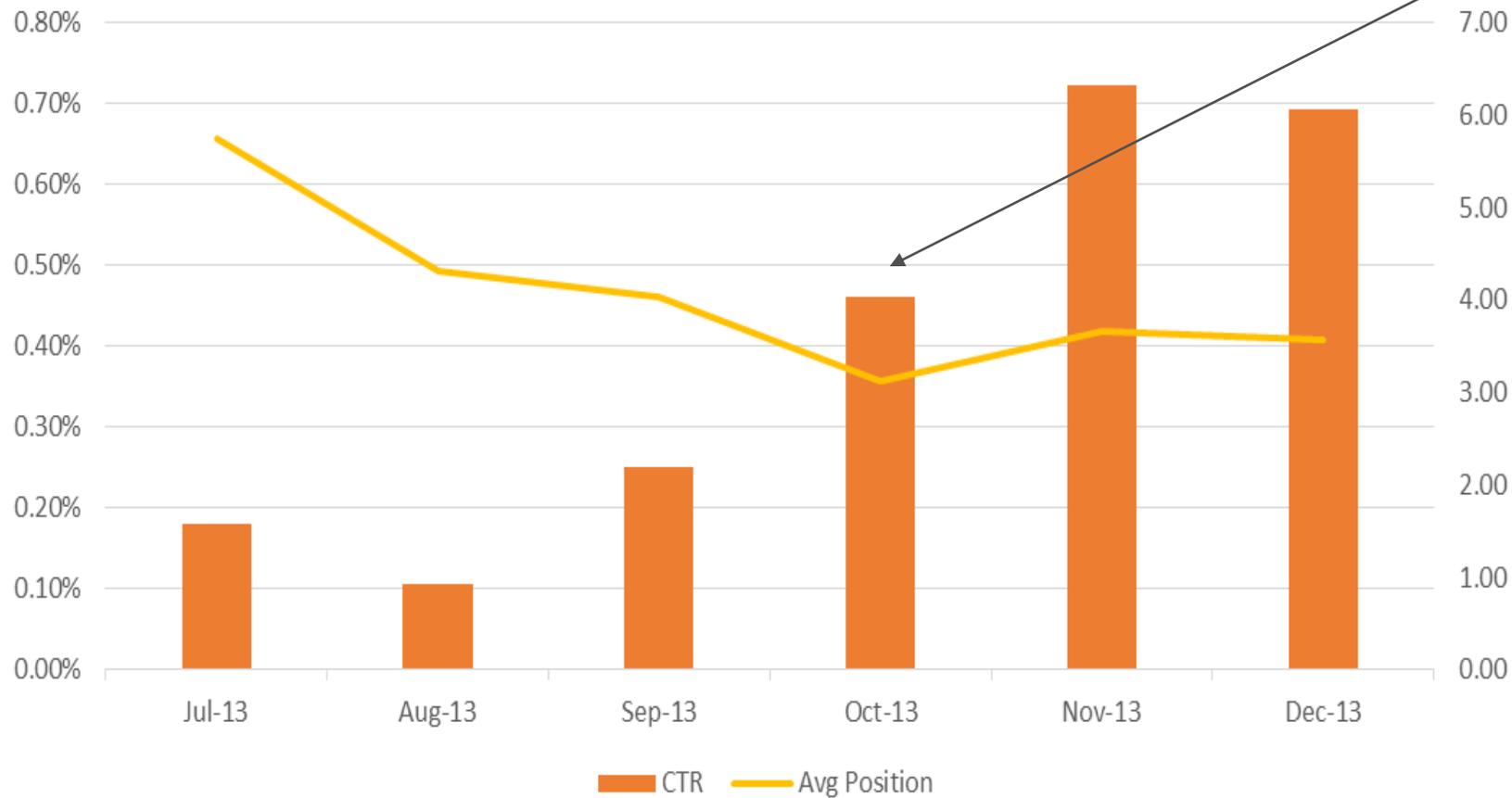
## July-December 2013



There is a direct correlation between "tax time" July-October 2013 and searches related to health insurance. Clicks and impressions for health insurance follow a similar incline to tax-related terms for this same time period.

# Health insurance performance metrics

## July-December 2013

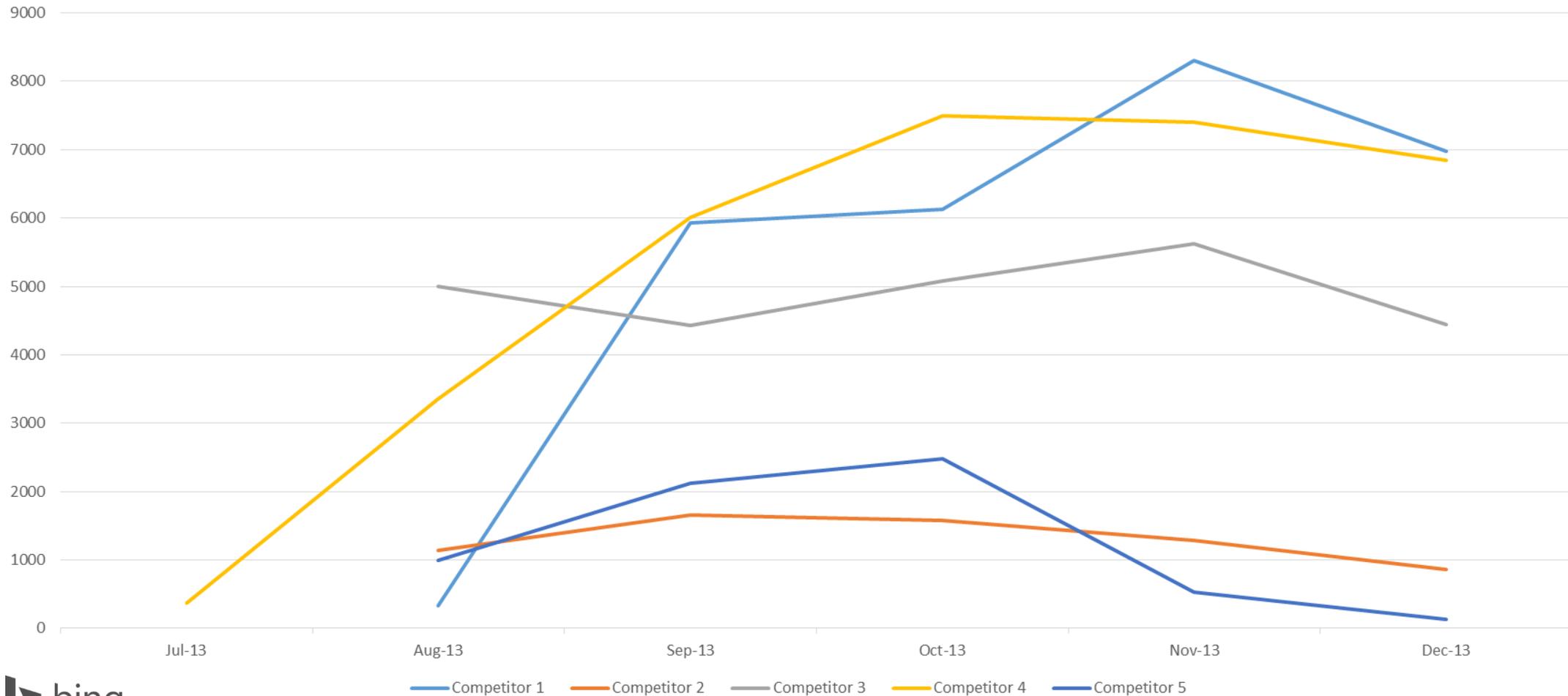


The average CTR and average position convergence point occurs in October, where activity surrounding the health insurance category increases in relevancy. The interaction rate for ad copy pertaining to health insurance remains strong up until December.

# Health insurance competitive landscape by click share

## July-December 2013

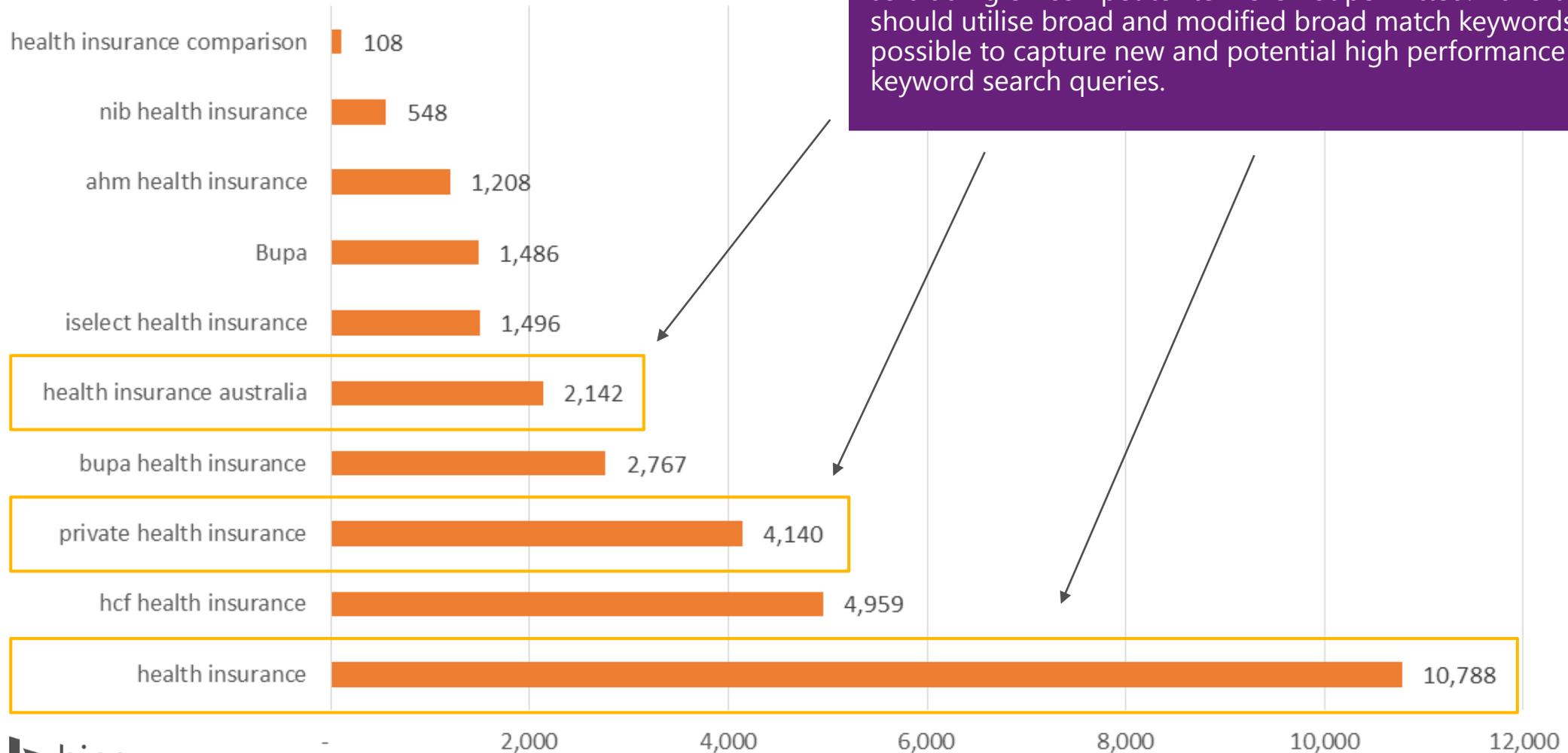
There are five prominent advertisers competing for click share in the health insurance category. The majority of these advertisers' click volumes peak between August and October, whilst interest in this category remains strong up until December.



# Top 10 health insurance related keywords by user search query

## July-October 2013

Generic keywords offer opportunities to capture share of voice as bidding on competitor terms is not permitted. Advertisers should utilise broad and modified broad match keywords where possible to capture new and potential high performance keyword search queries.



# Part 2: Health insurance vertical performance (July-October 2013)

## Recommendations overview

Impressions and click volume metrics for health insurance related terms directly correlate with that of “tax” related keywords for the same period.

**Recommendations:** Data indicates that “tax time” presents the opportunity to capture the attention and raise awareness for health insurance-related content during this period whilst the topic is ‘top of mind.’

**Relevancy for health insurance-related terms begins to increase during the October period. This time period is also when advertisers begin to compete for the top positions.**

**Note:** It is important that advertisers have a strong campaign budget and bid strategy in place so that they can capitalise on key moments within the “tax time” period.

**Although users search for health insurance related terms in June before the cut off date, there is room to capitalise on the interest of those that missed this deadline.**

**Recommendations:** Advertiser’s should tailor ad copy with a clear message to sign up for health insurance before next year’s tax period to avoid further financial penalties.







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