Banking, Credit & Investments in Germany on the Microsoft Search Network
Microsoft Advertising Insights
Content

- Total traffic trends
- Key performance indicator (KPI) Analysis
- Audience profile
- Brand vs. generic term KPI analysis
- Bidding strategy performance
- 2021 forecast
- Recommended actions

Methodology

- **Market:** Germany
- **Timeline:** 2020, January to October
- **Vertical:** Banking, Credit and Investing
- **Traffic:** Microsoft Network O&O, All devices

- **Analysis dimensions**
  - **Query set:**
    - Banking: searches related to ‘bank’, ‘online banking’, ‘girokonto’, ‘sparkonto’ etc.
    - Credits & Lending: searches related to ‘kredit’, ‘darlehen’, ‘kreditvergleich’ etc.
  - **Brand vs Generic:** Search traffic and performance metrics split between brand terms (search query including an advertiser brand name) and generic terms (no brand mentions)
  - **Traffic Sources:** total vertical traffic categorized by source into direct (all users going directly to relevant websites); organic (all users landing to relevant websites directly from search engines’ organic results), paid (all users landing on relevant websites from paid ads, including search engine marketing (SEM), social and affiliate). Data sourced from Internet Explorer/Edge browser anonymized surfing data, in compliance to GDPR
  - **Automated bidding strategy:** clicks seen on the network by bidding strategy origin, split between enhanced cost per click (eCPC), Target cost per action (CPA) and manual cost per click (CPC)
With the outbreak of the pandemic, Microsoft Network users showed increased interest in finance-related topics.

Searches exceeded 2019 volume starting at the onset of COVID-19 lasting into July.
I. BANKING
Search traffic trends (Banking)

- Interest in banking was not strongly influenced by COVID-19
- 2020 search volume was similar to 2019 and shows no major outliers

Source: Microsoft Advertising Network O&O Internal Data, Jan 2019- Oct 2020, Banking, Credits & Investments, Germany, All devices
The average click through rate (CTR) increased significantly starting in the summer compared to 2019.
Audience demographic profile (Banking)

- During Wave 1 of COVID-19, we saw a larger share of more senior users on the network, with the age group 50-65+ accounting for 64% of total users
- People searching for bank related terms are mostly male

Source: Microsoft Advertising Network O&O Internal Data, Jan 2019- Oct 2020, Banking, Credits & Investments, Germany, All devices
Brand versus generic performance (Banking)

- Search traffic for ‘banking’ is mostly generic
- The share of clicks is proportionally higher for brand terms

Legend

<table>
<thead>
<tr>
<th></th>
<th>Brand</th>
<th>Generic</th>
</tr>
</thead>
<tbody>
<tr>
<td>Search traffic %</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Wave 1 (Mar-May)</td>
<td>80%</td>
<td>20%</td>
</tr>
<tr>
<td>Summer 2020 (Jun-Aug)</td>
<td>79%</td>
<td>21%</td>
</tr>
<tr>
<td>Fall 2020 (Sep-Oct)</td>
<td>80%</td>
<td>20%</td>
</tr>
</tbody>
</table>

|                |       |         |
| Clicks %       |       |         |
| Wave 1 (Mar-May) | 69%   | 31%     |
| Summer 2020 (Jun-Aug) | 66%   | 34%     |
| Fall 2020 (Sep-Oct)   | 65%   | 35%     |

Average CTR

- Wave 1 (Mar-May)
- Summer 2020 (Jun-Aug)
- Fall 2020 (Sep-Oct)

Average CPC $

- Wave 1 (Mar-May)
- Summer 2020 (Jun-Aug)
- Fall 2020 (Sep-Oct)

Source: Microsoft Advertising Network O&O Internal Data, Jan 2019 - Oct 2020, Banking, Credits & Investments, Germany, All devices
Digital traffic source analysis (Banking)

- Direct traffic from search engines accounted for most of the traffic to banking websites in Germany
- Paid traffic (including all channels) made up about 1/3 of traffic
- Organic traffic declined slightly over time

Traffic source trend
(July 20 to Nov 16 2020)

Source: Microsoft Advertising Internal Data, July 2020 - November 2020, Banking, Credits & Investments, Germany, website traffic analysis, IE/Edge data (GRDP compliant)
Automated bidding strategy analysis (Banking)

- eCPC and Target CPA are common automated bidding strategies used by banking advertisers
- About one out of three banking advertisers are now using eCPC to control their bids

Source: Microsoft Advertising Network O&O Internal Data, Jan 2019- Oct 2020, Banking, Credits & Investments, Germany, All devices
Our forecasting model predicts an increase in clicks in the first quarter of 2021.
II. CREDITS & LENDING
Search traffic trends (Credits)

- Traffic grew significantly with the onset of the first wave of COVID-19 (Wave 1) lasting into August
- As COVID-19 affected businesses, interest in credits & lending increased

Legend

Source: Microsoft Advertising Network O&O Internal Data, Jan 2019- Oct 2020, Banking, Credits & Investments, Germany, All devices
KPI trends (Credits)

- Searches spiked during Wave 1 and continued to grow during the summer months
- CTR increased compared to 2019 while CPC decreased

Source: Microsoft Advertising Network O&O Internal Data, Jan 2019-2020, Banking, Credits & Investments, Germany, All devices
Audience demographic profile (Credits)

- In the fall of 2020, searches from a younger audience (25-34 and 35-49) increased
- Similar to banking, credit related searches are comprised of mostly males

### User gender profile

<table>
<thead>
<tr>
<th>Wave 1 (Mar-May)</th>
<th>Male</th>
<th>Female</th>
</tr>
</thead>
<tbody>
<tr>
<td>Summer 2020 (Jun-Aug)</td>
<td>70%</td>
<td>30%</td>
</tr>
<tr>
<td>Fall 2020 (Sep-Oct)</td>
<td>70%</td>
<td>30%</td>
</tr>
</tbody>
</table>

### User age profile

<table>
<thead>
<tr>
<th>Wave 1 (Mar-May)</th>
<th>13-17</th>
<th>18-24</th>
<th>25-34</th>
<th>35-49</th>
<th>50-64</th>
<th>65+</th>
</tr>
</thead>
<tbody>
<tr>
<td>Summer 2020 (Jun-Aug)</td>
<td>1% 12%</td>
<td>12% 11%</td>
<td>21% 21%</td>
<td>30% 30%</td>
<td>28% 28%</td>
<td>24% 24%</td>
</tr>
<tr>
<td>Fall 2020 (Sep-Oct)</td>
<td>1% 13%</td>
<td>14% 12%</td>
<td>24% 22%</td>
<td>27% 26%</td>
<td>28% 28%</td>
<td>21% 21%</td>
</tr>
</tbody>
</table>

Source: Microsoft Advertising Network O&O Internal Data, Jan 2019- Oct 2020, Banking, Credits & Investments, Germany, All devices
Brand versus generic performance (Credits)

- Searches and clicks for credits are almost entirely coming from generic queries

Source: Microsoft Advertising Network O&O Internal Data, Jan 2019- Oct 2020, Banking, Credits & Investments, Germany, All devices
Digital traffic source analysis (Credits)

- Organic traffic has grown at the expense of paid traffic

Traffic source trend (2020 July 20 to Nov 23)

Source: Microsoft Advertising Internal Data, July 2020 - November 2020, Banking, Credits & Investments, Germany, website traffic analysis, IE/Edge data (GRDP compliant)
Automated bidding strategy analysis (Credits)

- More than 40% of clicks related to Credits are associated with eCPC bidding

Source: Microsoft Advertising Network O&O Internal Data, Jan 2019- Oct 2020, Banking, Credits & Investments, Germany, All devices
Our forecasting model predicts an increase in clicks in January, but the uncertainties associated with the second lockdown may additionally influence click volume.
III. INVESTMENTS
At the outbreak of the pandemic, users showed high interest in investment opportunities like stocks, bonds, etc.

Searches related to investing increased as the first lockdown began, and volume remained consistently above 2019 numbers.

Source: Microsoft Advertising Network O&O Internal Data, Jan 2019- Oct 2020, Banking, Credits & Investments, Germany, All devices
KPI trends (Investments)

- Searches spiked during Wave 1 and continued to grow (at a slower rate) into autumn
- CTR increased in the summer and fall, and CPCs grew due to increased competition

Source: Microsoft Advertising Network O&O Internal Data, Jan 2019-2020, Banking, Credits & Investments, Germany, All devices
Audience demographic profile (Investments)

- For investment searches, similar to credits, the audience shifted slightly to a younger audience (25-34 and 35-49)
- Investment searchers are predominantly male

### User gender profile (Search traffic %)

<table>
<thead>
<tr>
<th>Wave</th>
<th>Male</th>
<th>Female</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wave 1 (Mar-May)</td>
<td>80%</td>
<td>20%</td>
</tr>
<tr>
<td>Summer 2020 (Jun-Aug)</td>
<td>79%</td>
<td>21%</td>
</tr>
<tr>
<td>Winter 2020 (Sep-Oct)</td>
<td>78%</td>
<td>22%</td>
</tr>
</tbody>
</table>

### User age profile (Search traffic %)

<table>
<thead>
<tr>
<th>Wave</th>
<th>13-17</th>
<th>18-24</th>
<th>25-34</th>
<th>35-49</th>
<th>50-64</th>
<th>65+</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wave 1 (Mar-May)</td>
<td>1%</td>
<td>9%</td>
<td>12%</td>
<td>21%</td>
<td>31%</td>
<td>26%</td>
</tr>
<tr>
<td>Summer 2020 (Jun-Aug)</td>
<td>1%</td>
<td>10%</td>
<td>14%</td>
<td>21%</td>
<td>31%</td>
<td>23%</td>
</tr>
<tr>
<td>Winter 2020 (Sep-Oct)</td>
<td>1%</td>
<td>11%</td>
<td>16%</td>
<td>24%</td>
<td>28%</td>
<td>20%</td>
</tr>
</tbody>
</table>

Source: Microsoft Advertising Network O&O Internal Data, Jan 2019- Oct 2020, Banking, Credits & Investments, Germany, All devices
Brand versus generic performance (Investments)

- While brand searches increased over time, brand clicks decreased
- Generic CPCs rose

Search traffic %

- Wave 1 (Mar-May): 95%
- Summer 2020 (Jun-Aug): 96%
- Fall 2020 (Sep-Oct): 92%

Clicks %

- Wave 1 (Mar-May): 87%
- Summer 2020 (Jun-Aug): 95%
- Fall 2020 (Sep-Oct): 96%

Average CTR

- Wave 1 (Mar-May)
- Summer 2020 (Jun-Aug)
- Fall 2020 (Sep-Oct)

Average CPC $
Digital traffic source analysis (Investments)

- Paid traffic grew from 30% in September to almost 40% by mid-November

<table>
<thead>
<tr>
<th>Date</th>
<th>Direct Traffic</th>
<th>Paid Traffic (SEM, Social, Affiliate)</th>
<th>Organic Traffic (All Search Engines)</th>
</tr>
</thead>
<tbody>
<tr>
<td>July 20</td>
<td>21%</td>
<td>34%</td>
<td>46%</td>
</tr>
<tr>
<td>July 27</td>
<td>21%</td>
<td>31%</td>
<td>50%</td>
</tr>
<tr>
<td>August 3</td>
<td>20%</td>
<td>57%</td>
<td>46%</td>
</tr>
<tr>
<td>August 10</td>
<td>17%</td>
<td>26%</td>
<td>48%</td>
</tr>
<tr>
<td>August 17</td>
<td>15%</td>
<td>29%</td>
<td>56%</td>
</tr>
<tr>
<td>August 24</td>
<td>16%</td>
<td>29%</td>
<td>55%</td>
</tr>
<tr>
<td>August 31</td>
<td>15%</td>
<td>29%</td>
<td>55%</td>
</tr>
<tr>
<td>September 7</td>
<td>14%</td>
<td>30%</td>
<td>57%</td>
</tr>
<tr>
<td>September 14</td>
<td>12%</td>
<td>30%</td>
<td>59%</td>
</tr>
<tr>
<td>September 21</td>
<td>14%</td>
<td>28%</td>
<td>58%</td>
</tr>
<tr>
<td>September 28</td>
<td>15%</td>
<td>30%</td>
<td>56%</td>
</tr>
<tr>
<td>October 5</td>
<td>15%</td>
<td>31%</td>
<td>54%</td>
</tr>
<tr>
<td>October 12</td>
<td>16%</td>
<td>31%</td>
<td>52%</td>
</tr>
<tr>
<td>October 19</td>
<td>16%</td>
<td>32%</td>
<td>48%</td>
</tr>
<tr>
<td>October 26</td>
<td>16%</td>
<td>36%</td>
<td>46%</td>
</tr>
<tr>
<td>November 2</td>
<td>17%</td>
<td>37%</td>
<td>44%</td>
</tr>
<tr>
<td>November 9</td>
<td>17%</td>
<td>39%</td>
<td>44%</td>
</tr>
<tr>
<td>November 16</td>
<td>17%</td>
<td>39%</td>
<td>44%</td>
</tr>
<tr>
<td>November 23</td>
<td>17%</td>
<td>37%</td>
<td>46%</td>
</tr>
</tbody>
</table>

Source: Microsoft Advertising Internal Data, July 2020 - November 2020, Banking, Credits & Investments, Germany, website traffic analysis, IE/Edge data (GDPR compliant)
Automated bidding strategy analysis (Investments)

- Advertisers focused on investments keywords have not strongly adopted automated bidding strategies

Source: Microsoft Advertising Network O&O Internal Data, Jan 2019- Oct 2020, Banking, Credits & Investments, Germany, All devices
Investments click forecast

- Our forecasting model predicts a strong increase in clicks in the first quarter of 2021

Source: Microsoft Advertising Internal Data, Jan 2019 - Oct 2020 Banking, Credits & Investments, Germany using adjusted PROPHET forecasting model
Key Findings

- While searches for traditional banking showed no significant differences compared to 2019, interest in investments increased. COVID-19, in combination with a period of low interest rates, sparked additional research on our platform for more risky investment types.
- The economic hardship caused by the pandemic lead to an increase in searches for credits and lending.
- In 2020, we noticed a slight shift towards a younger audience searching in these categories.
- CTR for branded terms increased in all three categories.
- Banking and Credit advertisers largely adopted automated bidding strategies.

Recommended Actions

- Financial consolidation is a typical element of peoples’ New Year resolutions. Hence, we expect increased activity starting in January.
- Searches related to financial categories are mainly generic, we recommend you expand your generic keyword portfolio.
- Automated bidding strategies will help to maximize clicks and conversions, especially as the marketplace becomes more competitive.
To get actionable data, insights and best practices to help make decisions and grow your business, visit MicrosoftAdvertising.com/Insights