

COVID-19 marketplace rebound gauge

Finance & Insurance

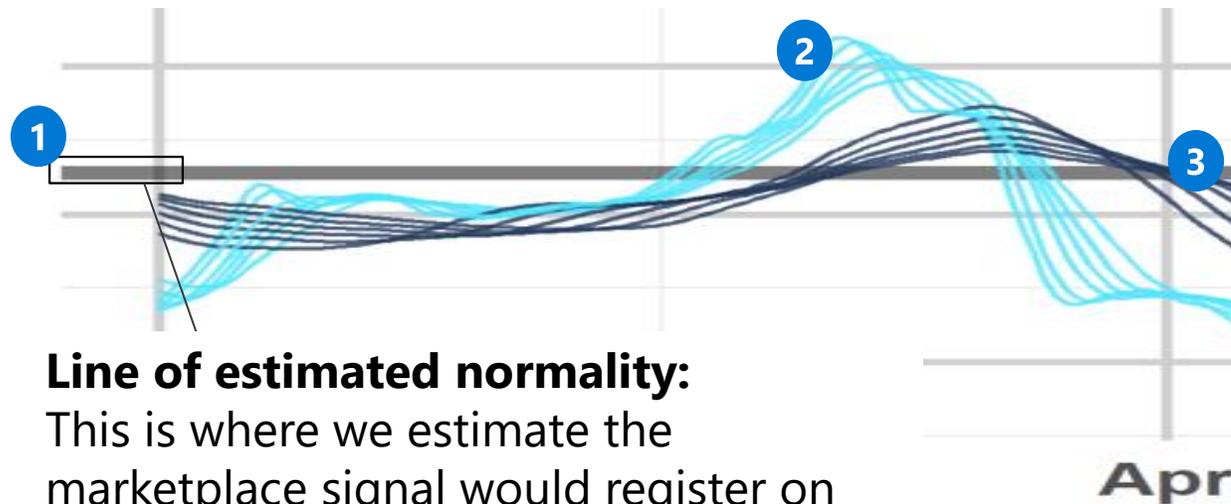
UK, France, Germany, Spain,
Italy, Netherlands

Purpose:

To provide an at-a-glance high-level signal about the current commercial viability of our financial services marketplace, **as compared to times of relative normality**. It is a technical analysis agnostic to external indicators and should be treated accordingly.

Analysis overview & interpretation

- Statistical technique typically used in investment trading
- Identify whether short-term fluctuations are indicative of a long-term trend
- Helping advertisers to identify how marketplace is trending to assist with planning



Line of estimated normality:

This is where we estimate the marketplace signal would register on average during the current month under normal circumstances

- ① Grey line: Estimated normality
- ② Light blue lines: Short-term moving averages
- ③ Dark blue lines: Long-term moving averages

Executive summary | data through 13th August 2020

	UK	FR	DE	ES	IT	NL
Car Insurance	▲	◆	▲	▲	N/A	●
Credit Cards	◆	▲	▲	●	◆	◆
Home Insurance	●	▲	◆	●	▲	●
Investments	▲	▲	▲	▲	◆	◆
Life Insurance	▲	▲	▲	N/A	N/A	N/A
Mortgages	◆	N/A	▲	N/A	N/A	▲
Pet Insurance	◆	N/A	N/A	N/A	N/A	N/A
Travel Insurance	▲	▲	▲	▲	N/A	N/A

- Marketplace index shows positive momentum
- ▲ Marketplace index showing stability
- ◆ Marketplace index showing negative momentum

- The most noticeable observation this week is that 59% of categories analysed are demonstrating stability
- Investments, Life Insurance & Travel Insurance are categories of notable mention – all three have unanimous stability across European markets, perhaps indicating widespread consumer sentiment with regards to decision making in these product categories
- 20 of the categories analysed are also above the point of estimated normality, which represents heightened opportunity over prior years

Marketplace signals – UK short window

Sub-category

Signal

Signal guide

Car Insurance



Credit Cards



Home Insurance



Investments



Life Insurance



Mortgages



Pet Insurance



Travel Insurance



Marketplace index is showing positive momentum



Marketplace index is showing some stability



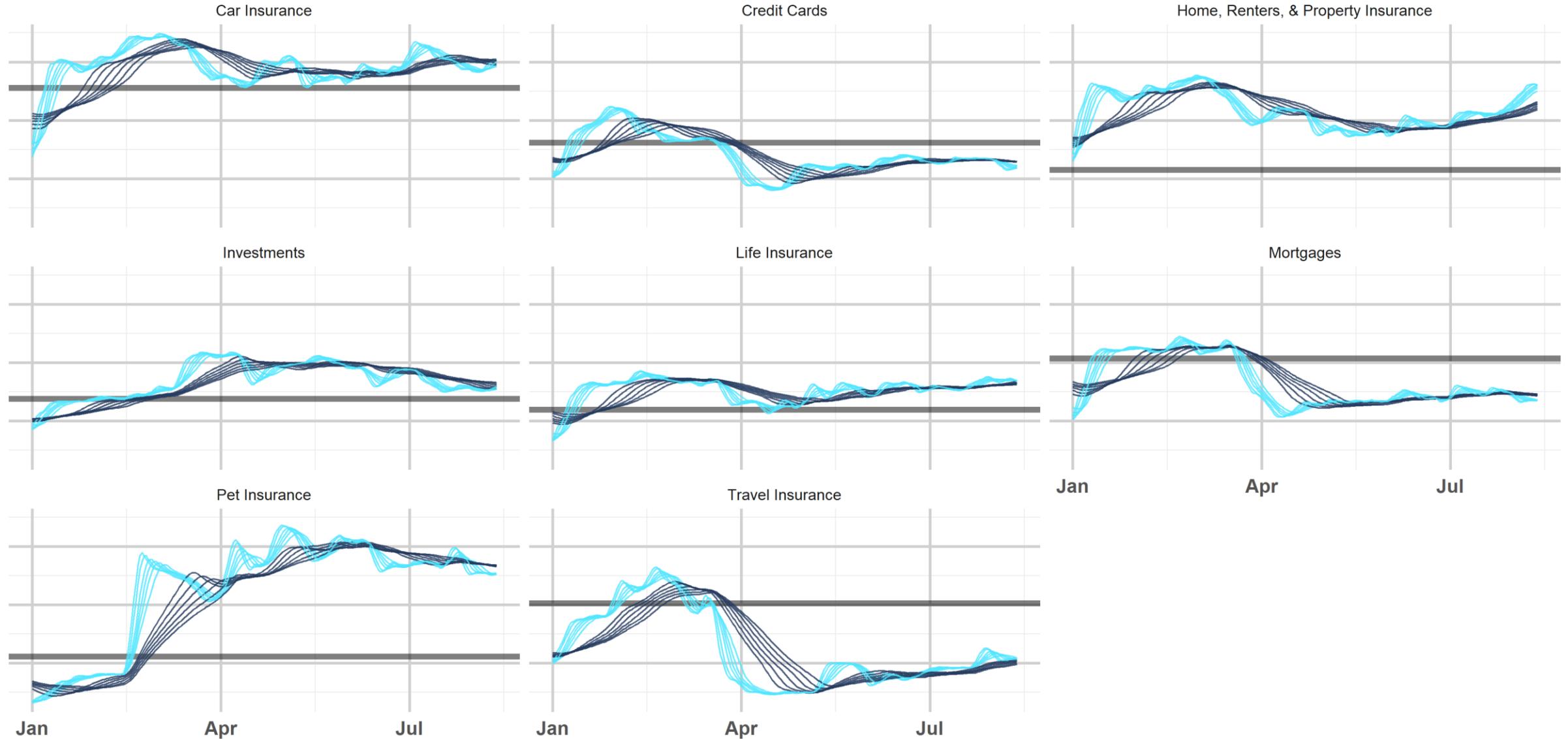
Marketplace index is showing negative momentum

Data through:
12/08/2020

Marketplace Rebound Gauge, United Kingdom, Short Window

When short term averages crest long term averages, this is a strong signal the marketplace is reversing

— Median of August '19 and '18
3, 5, 8, 10, 12, 15-day moving averages
30, 35, 40, 45, 50, 55-day moving averages



Marketplace signals – France (FR) short window

Sub-category

Signal

Signal guide

Car Insurance



Credit Cards



Home Insurance



Investments



Life Insurance



Travel Insurance



Marketplace index is showing positive momentum



Marketplace index is showing some stability



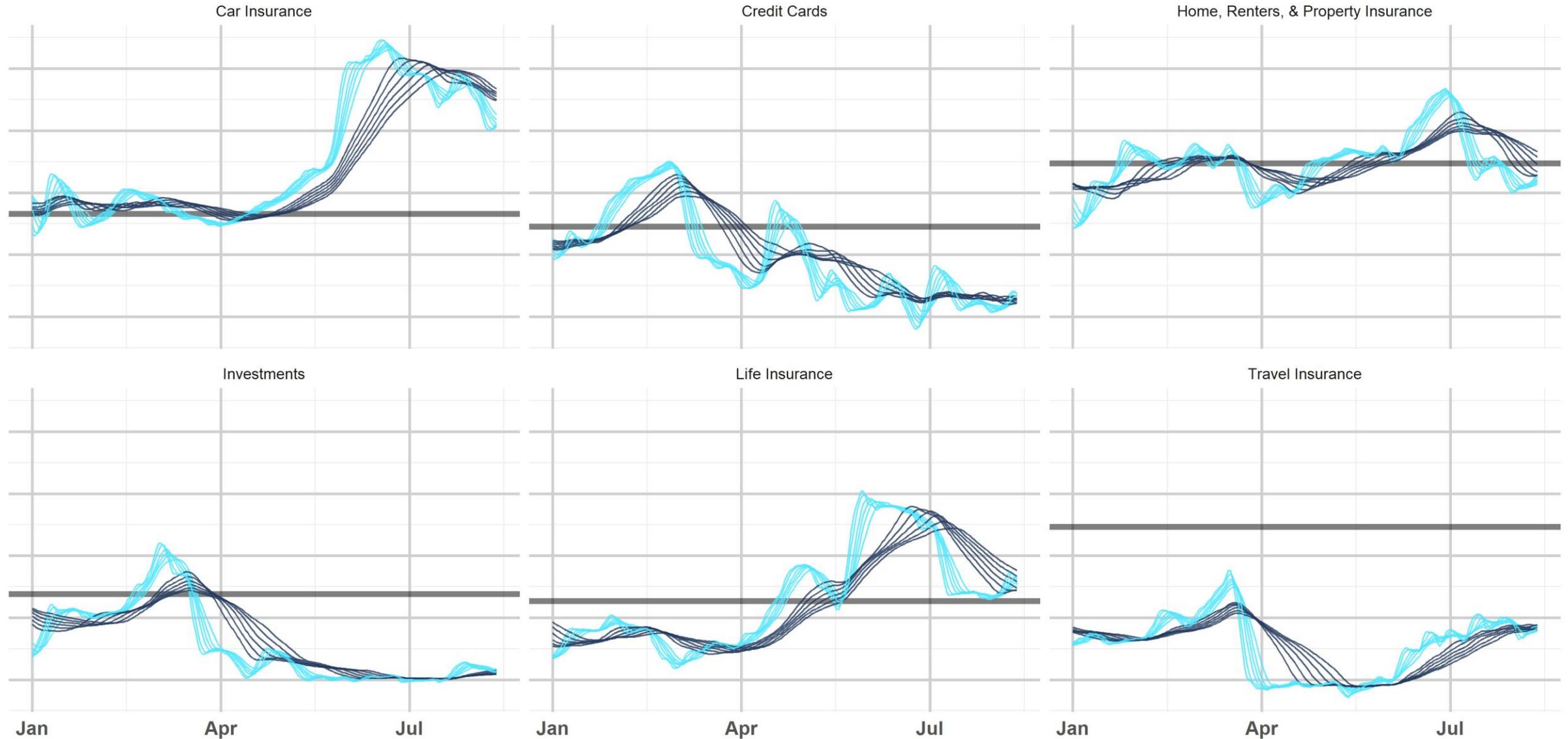
Marketplace index is showing negative momentum

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12/08/2020

Marketplace Rebound Gauge, France, Short Window

When short term averages crest long term averages, this is a strong signal the marketplace is reversing

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Marketplace signals – Germany (DE) short window

Sub-category

Signal

Signal guide

Car Insurance



Credit Cards



Home Insurance



Investments



Life Insurance



Mortgages



Travel Insurance



Marketplace index is showing positive momentum



Marketplace index is showing some stability



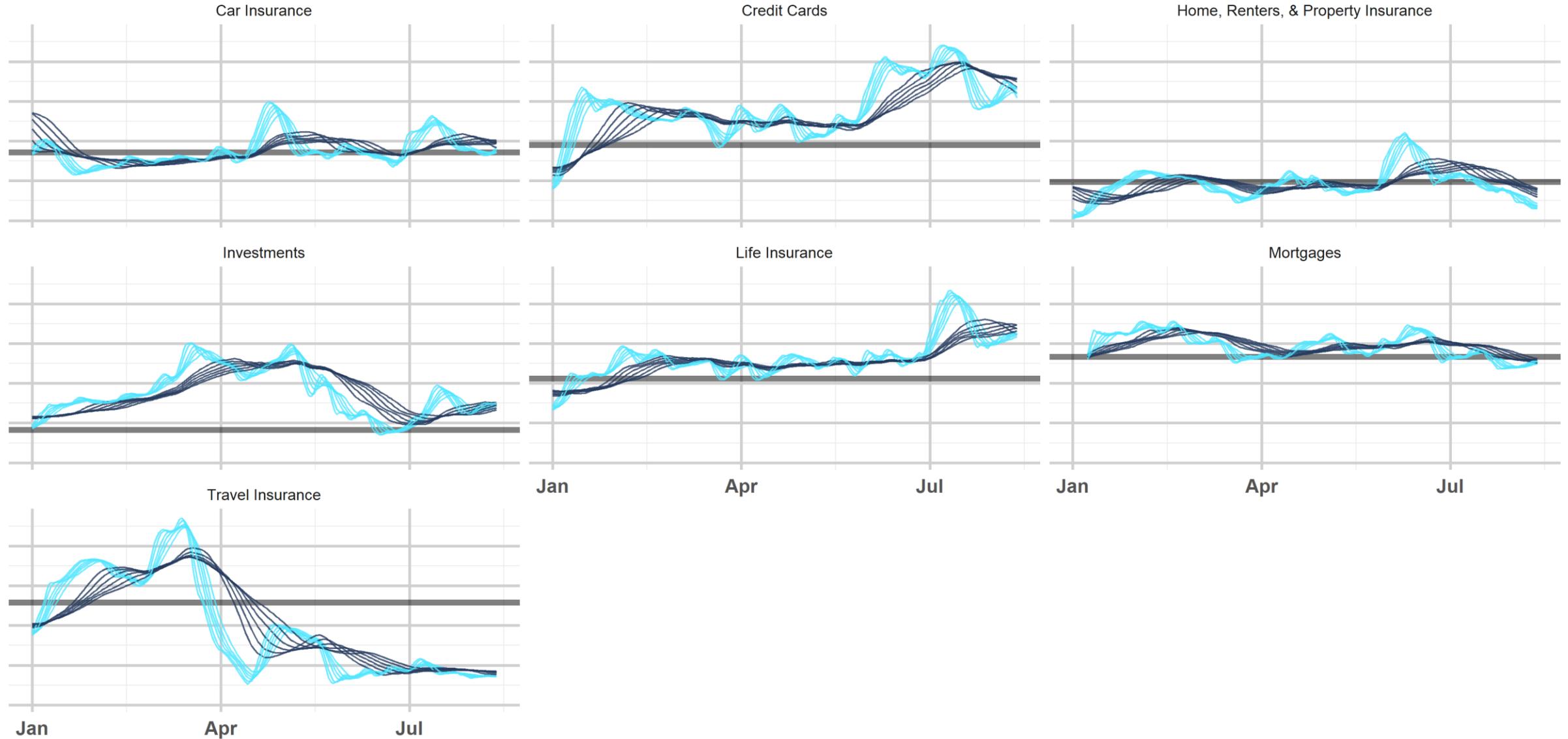
Marketplace index is showing negative momentum

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Marketplace Rebound Gauge, Germany, Short Window

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Marketplace signals – Spain (ES) short window

Sub-category

Signal

Signal guide

Car Insurance



Credit Cards



Home Insurance



Investments



Travel Insurance



Marketplace index is showing positive momentum



Marketplace index is showing some stability



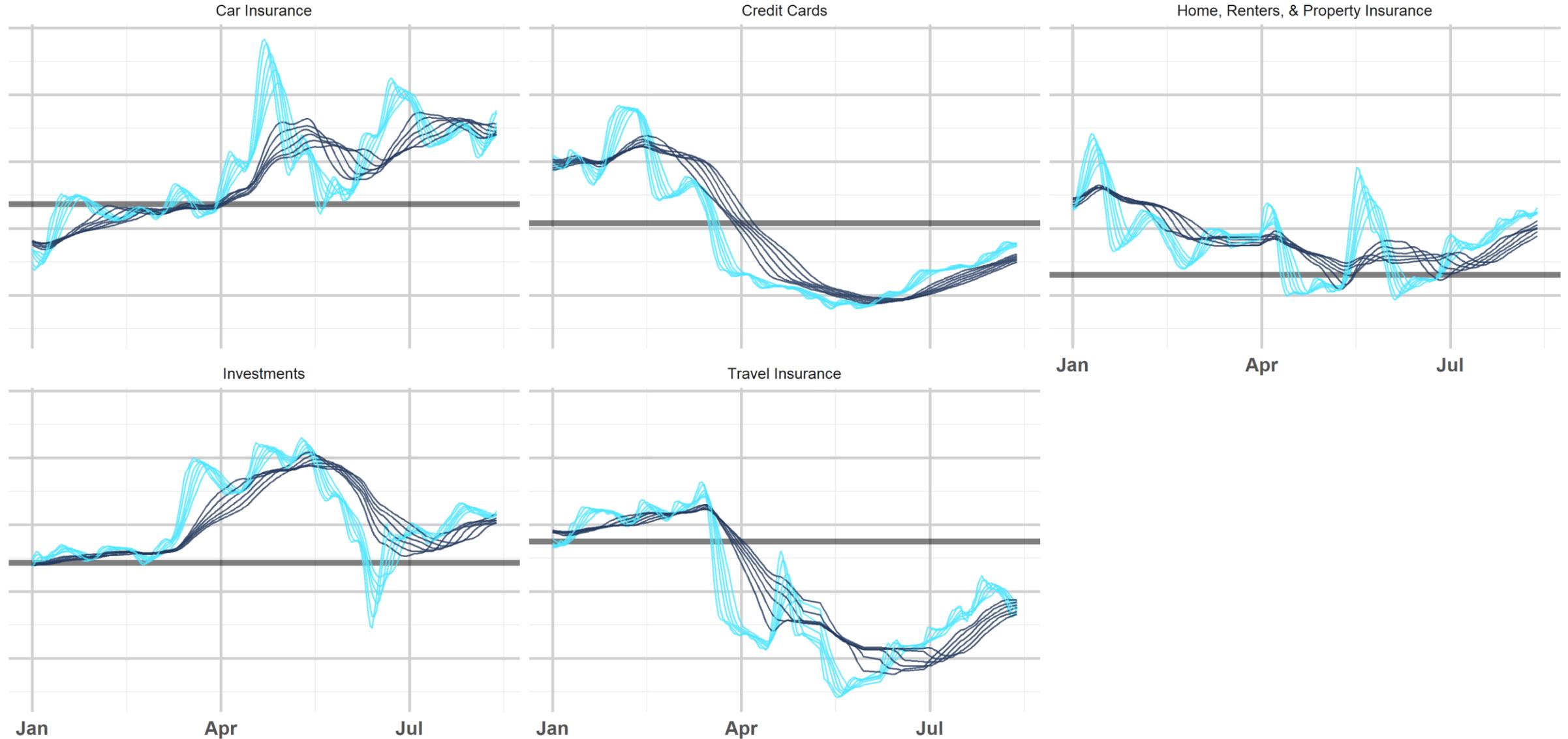
Marketplace index is showing negative momentum

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12/08/2020

Marketplace Rebound Gauge, Spain, Short Window

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Marketplace signals – Italy (IT) short window

Sub-category

Signal

Signal guide

Credit Cards



Home Insurance



Investments



Marketplace index is showing positive momentum



Marketplace index is showing some stability



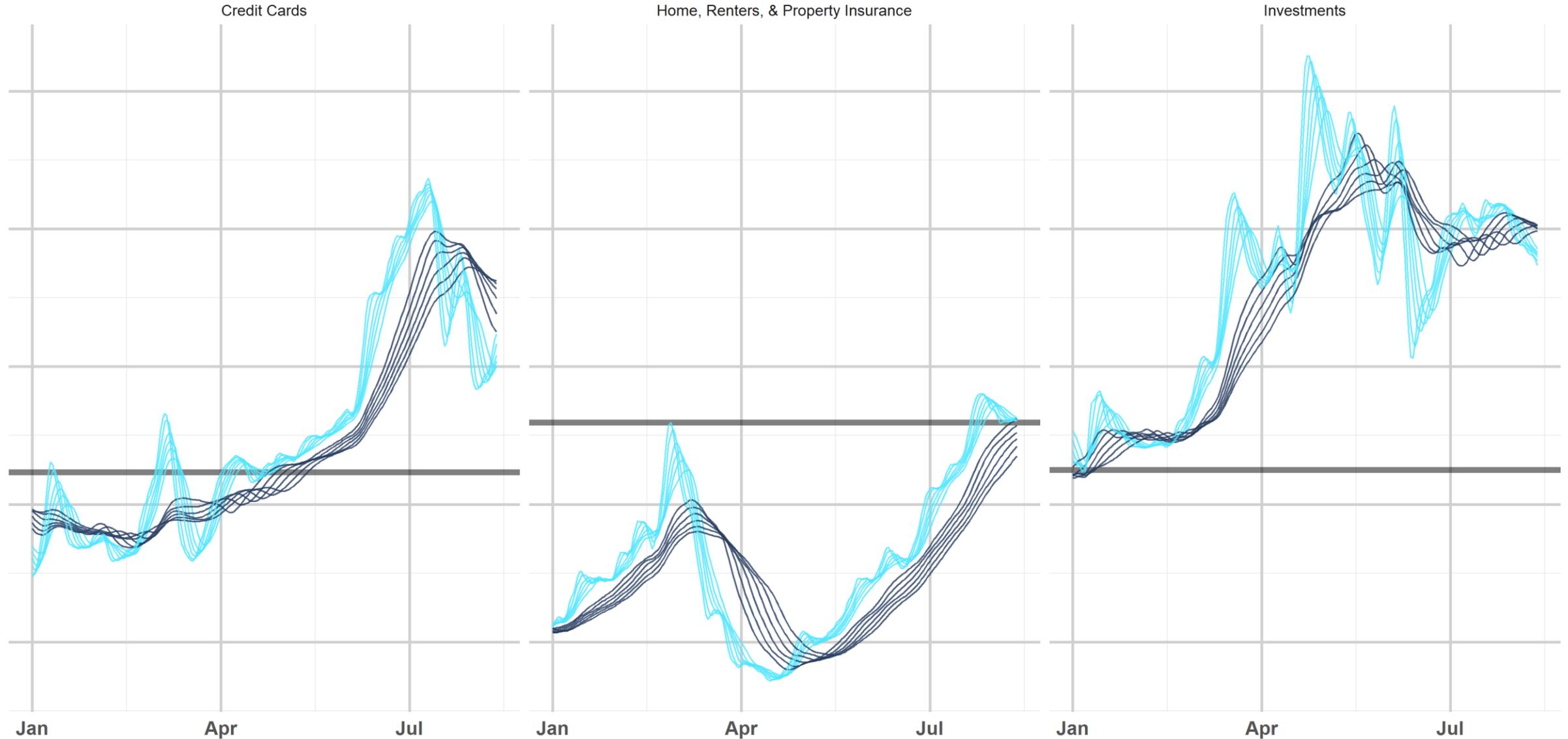
Marketplace index is showing negative momentum

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12/08/2020

Marketplace Rebound Gauge, Italy, Short Window

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Marketplace signals – Netherlands (NL) short window

Sub-category

Signal

Signal guide

Car Insurance



Credit Cards



Home Insurance



Investments



Mortgages



Marketplace index is showing positive momentum



Marketplace index is showing some stability



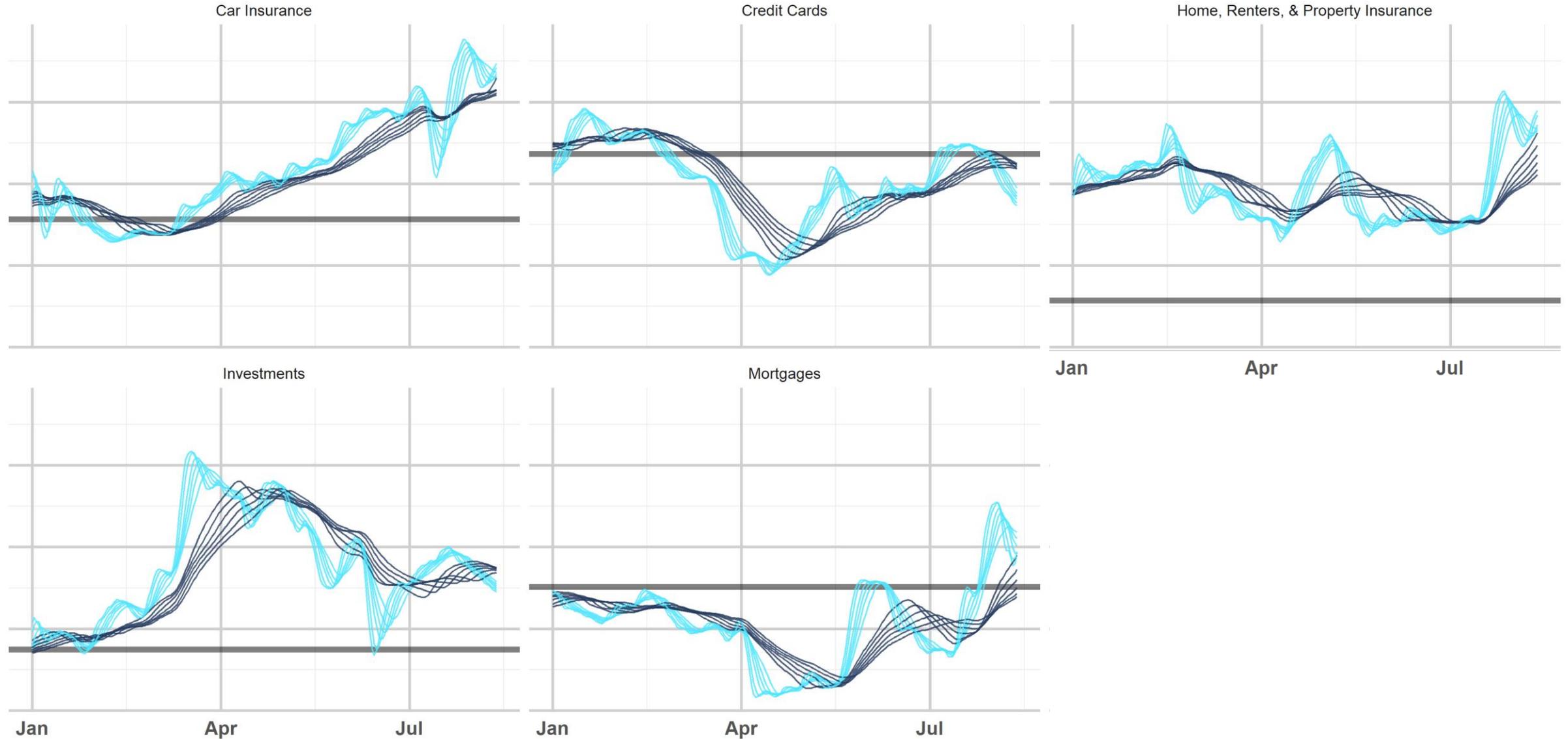
Marketplace index is showing negative momentum

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Marketplace Rebound Gauge, Netherlands, Short Window

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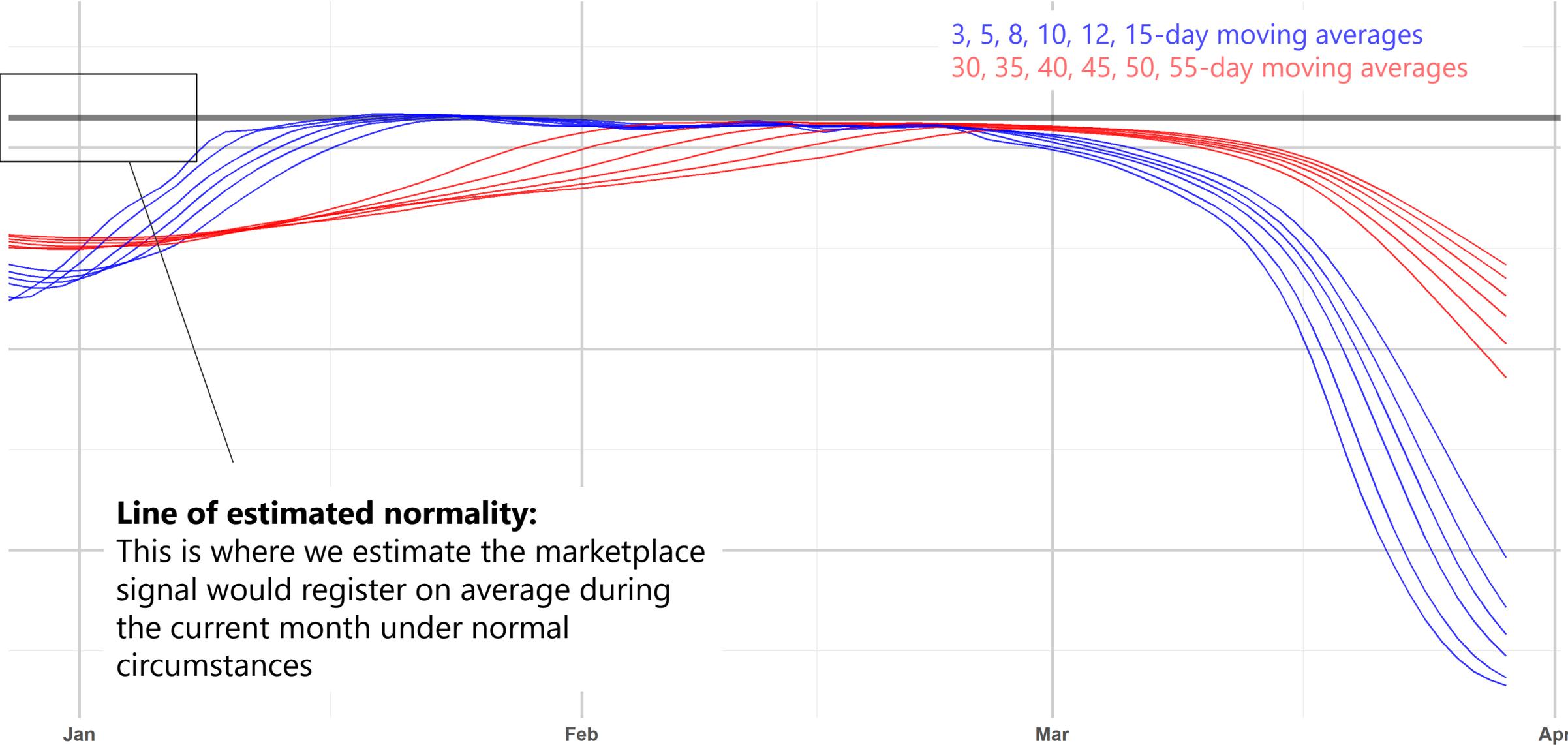


How the signals are extracted

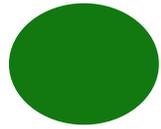
Marketplace Rebound Signal Search - United States

**SAMPLE
DATA**

Short View

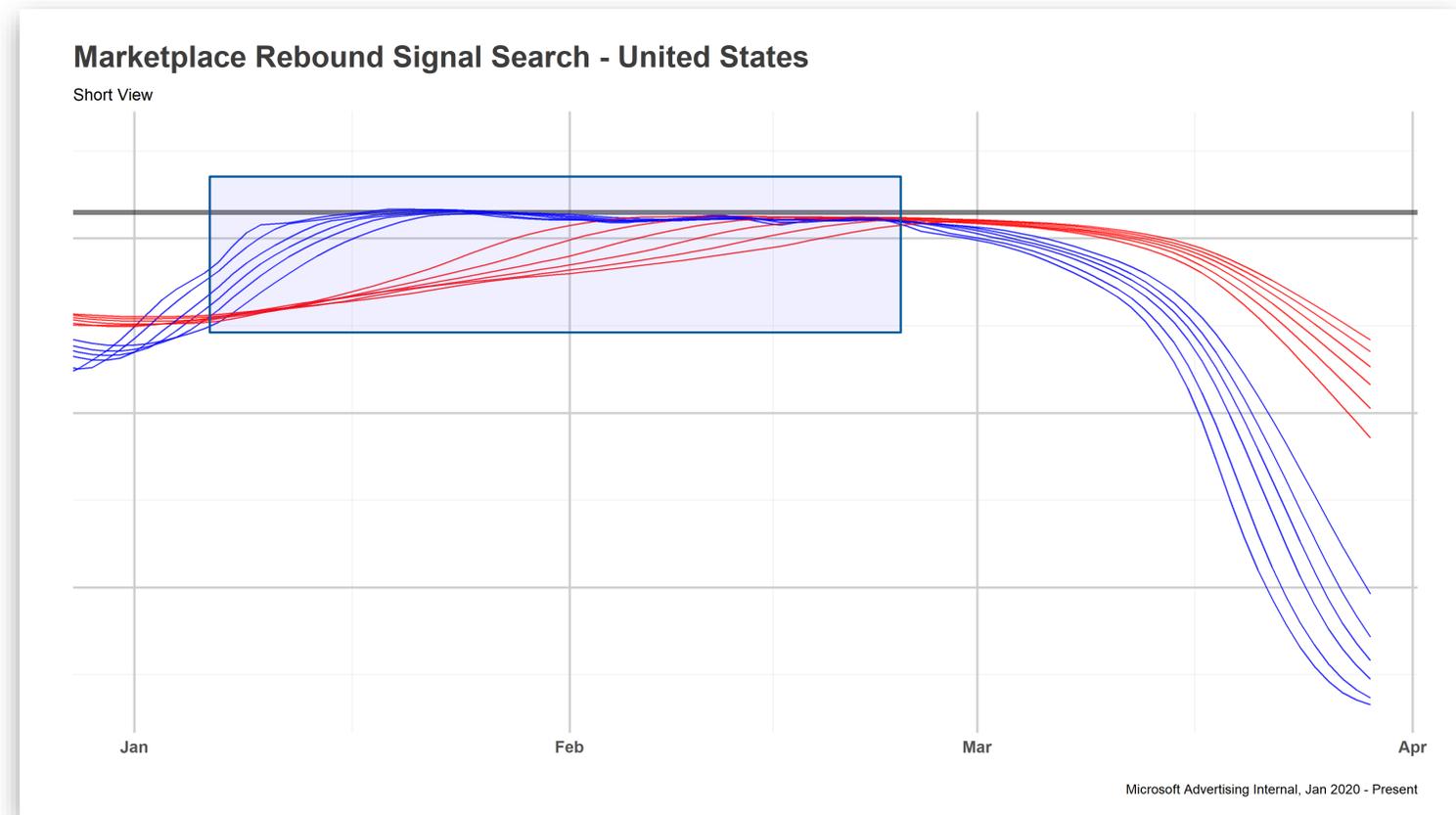


Signal:



Here our cluster of **shorter-term moving averages** has consolidated around the **estimated line of normality**, pulling latent **longer-term moving averages** with it

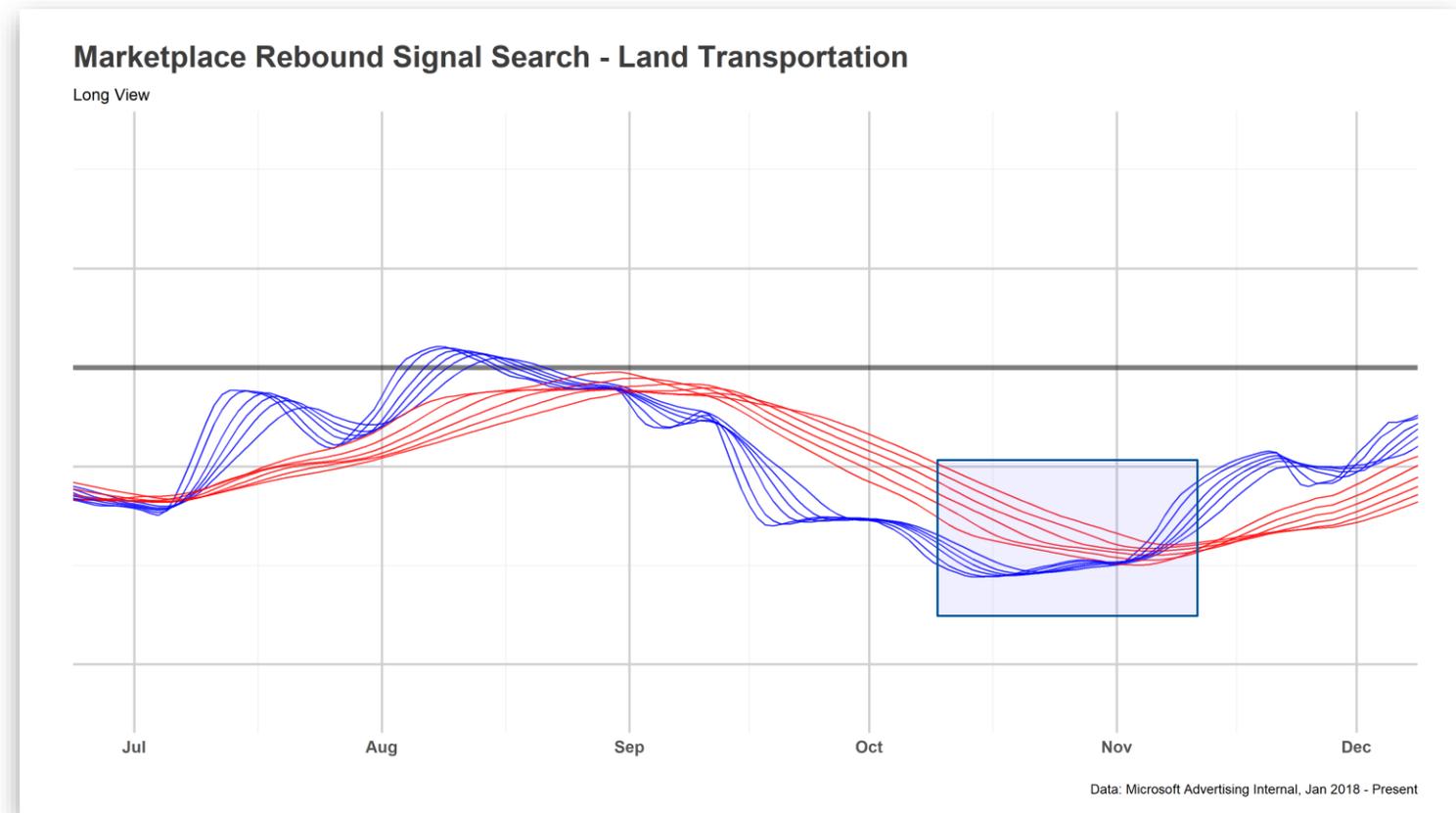
When there is a period with all six **short-term moving averages** above all six **long-term moving averages**, this a confirmed market uptrend



Signal: ▲

In this example, we see all six **longer-term moving averages** floating above all six **shorter-term moving averages** suggesting a downtrend

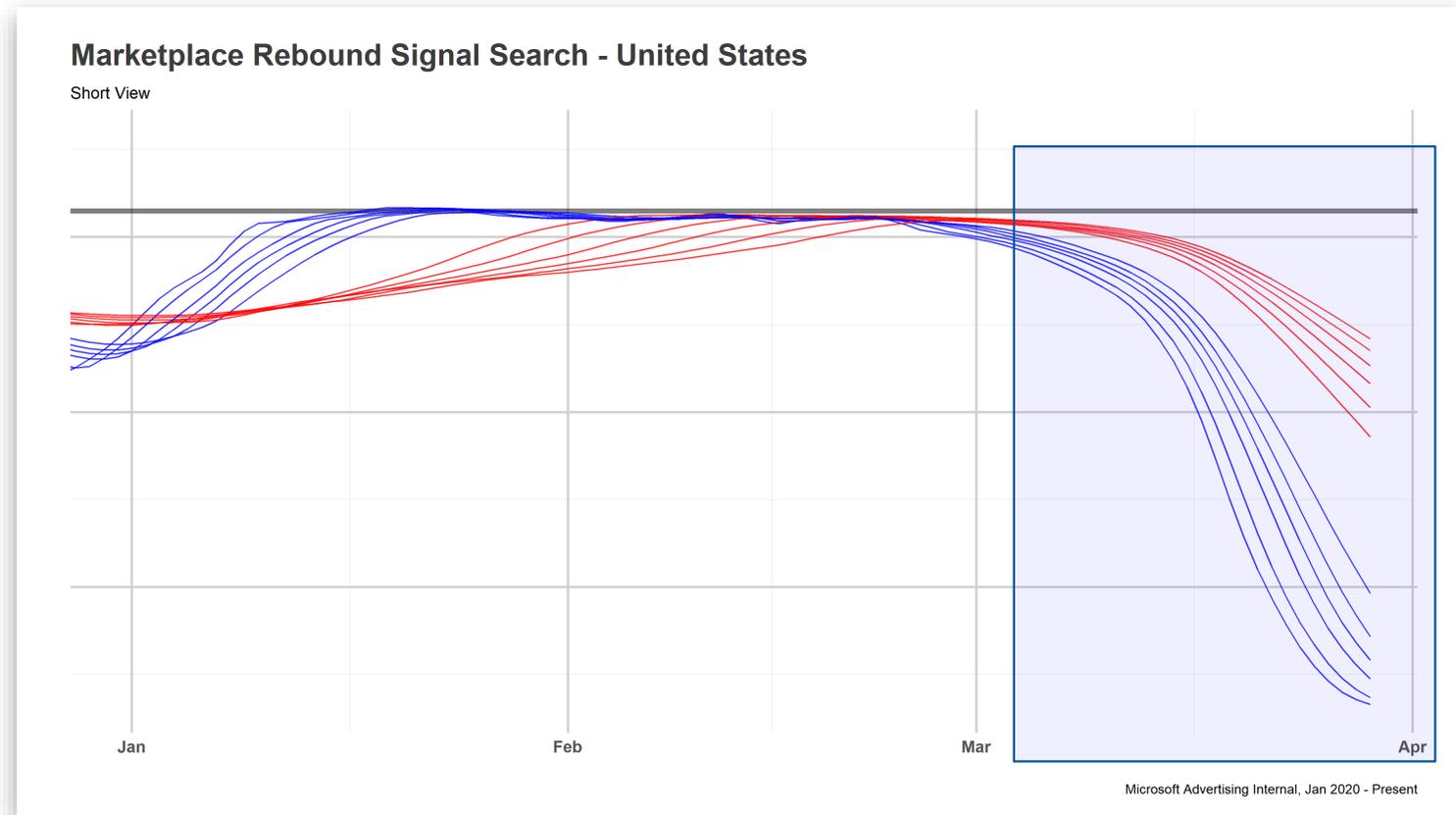
However, the **shorter-term moving averages** begin to reverse course, and move back through the **longer-term moving averages**. This is an indication that the marketplace is possibly turning around, and a good opportunity for advertisers to re-enter.



Signal:

In this example, there is a clear negative gap between the **long-term moving averages** and the **short-term moving averages**, and that gap is increasing

When the cluster of **short-term averages** demonstrates behavior in the opposite direction, it will be time to think about a yellow signal. Until then, this is firmly a downtrend.



What comprises the marketplace index?

Marketplace index is a composite metric built to reflect the following behaviors:

Search volume



Advertiser participation



Auction activity

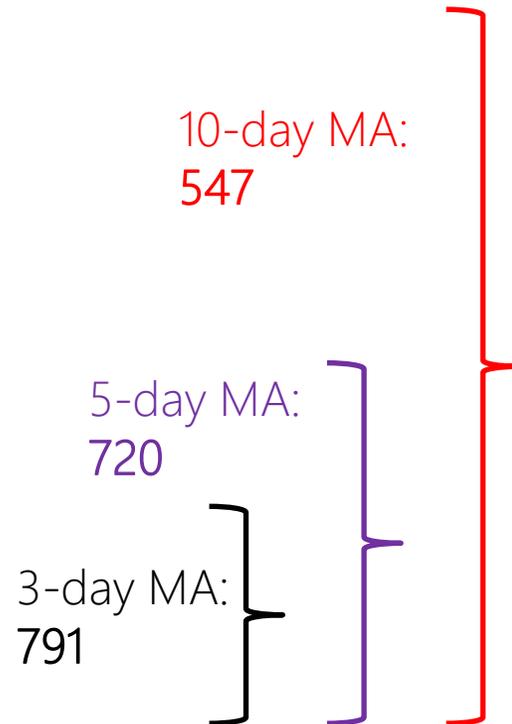


Searcher intent



A primer on how moving averages (MA) work

Date	Value
3/20	500
3/21	650
3/22	700
3/23	400
3/24	250
3/25	300
3/26	425
3/27	500
3/28	525
3/29	700
3/30	650
3/31	825
4/1	900



A **simple moving average** calculates the average of a selected range of values. For instance, the 3-day moving average for the date of 4/1 would be the average of the attendant values for the dates of 4/1, 3/31, and 3/30.

Strategies and recommendations

Learn immediate and recovery-phase strategies, and how to approach new opportunities and optimize account health in the [Digital Advertiser's Guide to COVID-19](#)