Financial Services

Insights for digital marketers

Microsoft Advertising. Intelligent connections.
Market insights
Impact of COVID-19 on U.S. Financial Wellbeing index

The Experian US Financial Wellbeing Index captures consumer perception of their financial situation during the Covid-19 pandemic, their ability to pay their monthly bills/debt obligations, and their confidence/ability to deal with any unexpected expenses. The index utilizes responses from a nationally representative sample of US consumers and is scored between 100 and -100, with:

- 100 = Extremely Strong Financial Wellbeing
- 0 = Normal Financial Wellbeing
- -100 = Extremely Weak Financial Wellbeing

Source: US Nationally Representative Sample, Experian, Jun 6, 2020

CUSTOMER SURVEY

All regions turn into green with increased financial confidence
Personal saving rate reaches record high in April
However, consumer spending sinks by record amount.
As such, credit card balances continue steep drop in April.
The increase in personal income creates opportunity in saving and investment products.

**April Records**

**U.S. consumer spending slumped, while government relief boosted incomes**

- Change in personal income (MoM)
- Change in personal spending (MoM)

Largest changes on record

Source: Bureau of Economic Analysis

Source: U.S. Bureau of Economic Analysis
Industry trends

Consumer Banking
Search volume is still promising, clicks start to show early recovery

Source: Microsoft internal, FinServ (excluding tax and insurance) click performance, Jan-Jun, 2020
INDUSTRY TRENDS

Weekly Checking & Saving search volume index

Source: Microsoft internal, FinServ credit card performance - US

Checking Account

Checking Account Bonus

OSA (Online Saving Account)

High Yield Saving

CDs (Certificate of Deposits)

Money Market Account

Stimulus check arrivals

Checkings & Savings

Stimulus check arrivals

Positive

Negative

Stable
Weekly credit card search volume index

Industry Trends

Cash Back
Balance Transfer
Business
Building Credit/Secured
Rewards
0 APR

Source: Microsoft internal, FinServ credit card performance - US, 2020
Bank Investment landscape: Bank 4 is now taking the lead in FinServ during this pandemic

Investment Ranking by Bank

Source: Microsoft internal, Top 8 Banks investment ranking changes, Jan-Jun 2020
80% of Banking clicks are from non-brand queries, and cost-per-click (CPC) drops sharply in this space.

Source: Microsoft internal, FinServ industry performance, Jan-Jun 2020
INDUSTRY TRENDS

Banks start to overtake aggregators in Banking products

Weekly spending index in Banking

Weekly clicks index in Banking

Source: Microsoft internal, Top 10 advertiser performance changes, Jan-Jun 2020
INDUSTRY TRENDS

Brand click share grows in credit cards; non-brand competition (CPC) starts to climb

Source: Microsoft internal, FinServ industry performance, Jan-Jun 2020
Aggregators pull back further, Banks outperform with higher efficiency

Weekly spending index in Credit Card

Weekly clicks index in Credit Card

Source: Microsoft internal, Top 10 advertiser performance changes, Jan-Jun 2020
Non-brand clicks continue the domination in loans, with much lowered CPC

Source: Microsoft internal, FinServ industry performance, Jan-Jun 2020
Aggregators seem to prioritize loans, and overtake banks in early March

**Weekly spending index in Loans**
- Aggregators
- Banks

**Weekly clicks index in Loans**
- Aggregators
- Banks

Source: Microsoft internal, Top 10 advertiser performance changes, Jan-Jun 2020
The Learnings

Align product priority with consumers’ hot picks
- Saving and investment
- Secured and 0/low APR credit cards

Respond to the changing competitive landscape
- Aggregators prioritize loans while banks outperform in banking and credit cards
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