Loans & Lending insights (AUNZ)

June 5, 2020
Home loans have seen steady growth of +41% in traffic since the start of April, a positive indicator of recovery in consumer confidence.

Home Loan search trends

- Search volume (vol.) YoY
- Clicks YoY
- Search vol. (indexed)

Microsoft internal data | Loans and Lending | Home Loans | Jan – May 2020 | Search Volume | PC and tablet

1. Comparing last week of May (week starting 23rd May) to first week of April (week starting 4th April)

March 3, RBA cut interest rates to 0.5%

March 29, Stage 3 lockdown introduced
Stay top of mind as the housing market begins its bounce back, observed in the steady growth in search and click volume

Key observations

1. Demand in searches and clicks have started to pick up post a sharp decline in April from a weakened housing market

2. Gap between searches and clicks presents opportunity to capture consumers searching for Home Loans

3. Higher unemployment and reduced confidence due to COVID-19 will have lasting impacts on user sentiment in purchasing a house, however, potential changes by the government to first home buyers grant and stamp duty tax may accelerate recovery
Both keyword types are recovering within our network, more profound in generics (+42% compared to start of April)

Generic queries with highest uplift (May vs April)

‘mortgage calculator’ +34%
‘home loan calculator’ +17%
‘home loan’ +37%
‘stamp duty calculator nsw’ +32%
‘home loan calculator repayments’ +157%
‘nsw stamp duty calculator’ +114%
‘mortgage calculator australia’ +102%
‘home loans australia’ +17%
‘reverse mortgage’ +73%
‘refinance’ +96%

Microsoft internal data | Loans and Lending | Home Loans | Jan - May 2020 | Search Volume | PC and tablet
Within Brand terms: high engagement, cheaper investment, growth in demand signify a strong opportunity to invest

Click-through rate (CTR) and cost-per click (CPC) by week

CTR (%)
CPC ($)

Week starting date
4-Jan 18-Jan 1-Feb 15-Feb 29-Feb 14-Mar 28-Mar 11-Apr 25-Apr 9-May 23-May

Home Loan Brands

- Aussie Home Loans: +14%
- RAMS: +27%
- Lendi: +20%
- Mortgage Choice: +32%
- NAB: +57%
- Mortgage House: +38%
- CBA: +86%

Top Home Loans (by search volume)
Uplift = May vs April search volume uplift

Microsoft internal data | Loans and Lending | Home Loans | Jan - May 2020 | CTR, CPC and search volume | PC and tablet
Personal loans are seeing strong recovery as customers are coming back. This provides brands a great opportunity to capture customers intent.

Key observations

1. The gap between searches and clicks initiated during the first few weeks of the pandemic

2. Clicks have seen a strong recovery over the last few weeks (+256% from week starting May 2 to week of May 23)

3. However, gap signals further opportunity to capture demand from consumers
Recovery of searches containing “calculator” suggest renewed research and interest in borrowing

Searches have risen +80% over the last two months (comparing week of May 23 to week starting Apr 4)

Highest trending queries (growth experienced over most recent 8 weeks) include:
- ‘compound interest calculator’ +14%
- ‘loan calculator’ +26%
- ‘personal loan calculator’ +33%
- ‘interest calculator’ +48%
- ‘repayment calculator’ +120%
PC remains the dominant device for consumers, representing on average (avg.) **92%** of search volume on the Microsoft Search Network. Mobile has also seen strong growth in the recent weeks.

**Did you know:** The Microsoft Search network mobile volume may continue to increase with the new launch of the Microsoft Edge browser on mobile plus the Bing app on iOS & Android. [Learn more]
Car loans are seeing solid growth within our network, +50% searches and +101% clicks across April and May.

Generic queries with highest uplift
(May vs April)

- ‘car loan repayment calculator’ +250%
- ‘car loans australia’ +207%
- ‘novated lease’ +159%
- ‘car finance calculator’ +91%
- ‘car loan calculator’ +79%
- ‘car loan/s’ +72%
- ‘car finance’ +46%

Microsoft Internal Data, Automotive vertical, AU, January-Apr 18, 2019; January-Apr 24, 2020
Key Takeaways

1. Consumer confidence within Home Loans is starting to recover, important to monitor various external factors which will impact the housing market

2. Brand-related queries perform well on our platform for Home Loans, opportunity to maximise investment

3. Click traffic within personal loans and car loans have both taken an upwards trajectory over the month of May
Strategies and recommendations
