

WELLS & HARRIS
DIGITAL CONSULTING

Q1 2023



**COMPASS REVIEW:
AUSTRALIAN
BUSINESS BANKING**

A LOOK BACK AT 2022
AND THE NEXT STEPS FOR
2023 AND BEYOND

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EXECUTIVE SUMMARY

PRIMARY RESEARCH QUESTIONS

In digital marketing we often get lost in endless metrics. Wells & Harris created the COMPASS¹ approach to break down online marketing performance into a single score – based on three key pillars: organic search, paid advertising, and user experience (UX).

Over the course of this report, we will use the COMPASS method to answer the following key research questions:

HOW DO THE BIG FOUR BANKS IN AUSTRALIA COMPARE IN ONLINE MARKET PRESENCE AND WHAT FACTORS AFFECT PERFORMANCE?

HOW DIFFICULT IS IT FOR EMERGING FINTECH PLAYERS TO BREAK INTO THIS MARKET AND EVEN OUTPERFORM THE TRADITIONAL BANKS?



These three categories are crucial for generating and consistently growing online revenue and together they form a symbiotic relationship¹. For that reason, thorough analysis is only possible when all factors are studied in combination. When looked at with a holistic lens, we can use these three pillars as an accurate barometer for online market presence and performance.

To nullify the effects and biases of brand recognition, our dataset³ only includes search terms that do not include a mention of a brand (non-branded search terms).

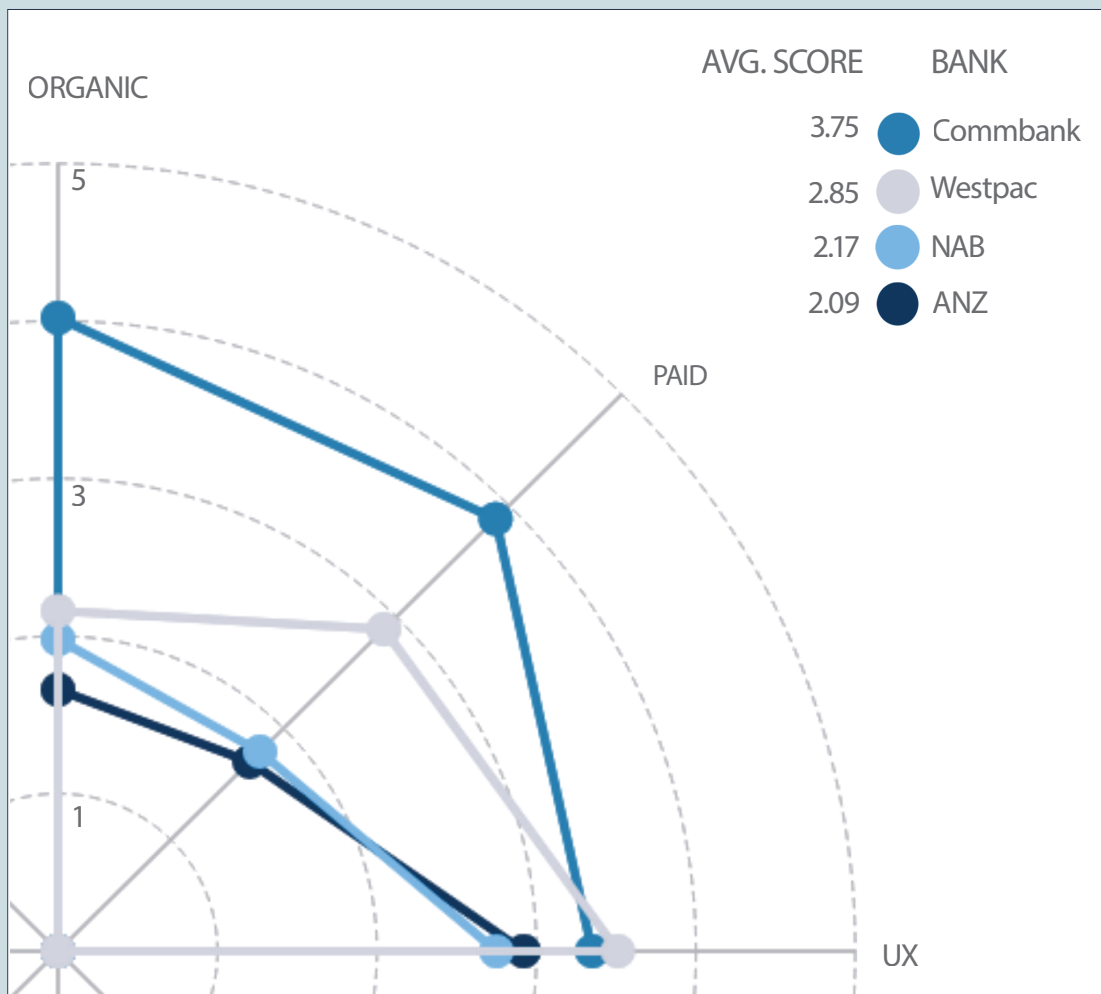
¹ Wells & Harris' COMPASS method (Comprehensive Online Marketing Presence Analysis & Strategic Segmentation) uses advanced data extraction techniques and combines search engine result page, paid ad and user experience data, as well as custom created performance scores.

² A good user experience sends positive user signals to search engines and can improve organic rankings. Google Ads test the quality of user experience for landing pages and factor this in (alongside bid value) when choosing where to rank your ads.

³ The dataset for this study comprises 10,000 non-branded search terms, segmented for the regions New South Wales and Victoria as well as desktop and mobile devices. The data was extracted between August and October 2022.

- Commbank leads in both organic and paid presence. It is the clear overall winner with the strongest Online Impact Score of 3.75 out of 5¹
- Westpac is a clear second with 2.85 and just pips Commbank in the User Experience (UX) category. NAB and ANZ trail the two leaders, with lower scores in all three assessed pillars

ONLINE IMPACT SCORE



¹The Online Impact Score (OIS) is the key metric from the Wells & Harris COMPASS method. It combines organic performance, paid advertisement efficacy, and user experience metrics.



WHILE THE MARKET LEADER HAS AN ORGANIC MARKET SHARE 2.5-3.5 TIMES HIGHER THAN THE OTHER BIG FOUR BANKS, THERE ARE STILL OBVIOUS OPPORTUNITIES FOR COMPETITORS TO GAIN GROUND.



KEY FINDINGS AT A GLANCE

- Commbank leads the pack in online market presence, but niche and channel-specific analysis reveal key areas for improvement for all of the Big Four.
- Emerging fintech players such as Airwallex are able to compete with the Big Four and even win key niches in organic traffic.
- Top advertisers tend to better tailor their product offerings with more diverse website landing pages; however the overall level of optimization in the banking/finance sector is quite low.
- User experience has a lot of room for improvement on mobile devices and should be given more attention as almost half of the Big Four's online traffic is mobile-first.
- Budget is not the only factor that influences market presence. Strategic website optimization, careful investment, and continuous refinement of content relevance can get impressive results.

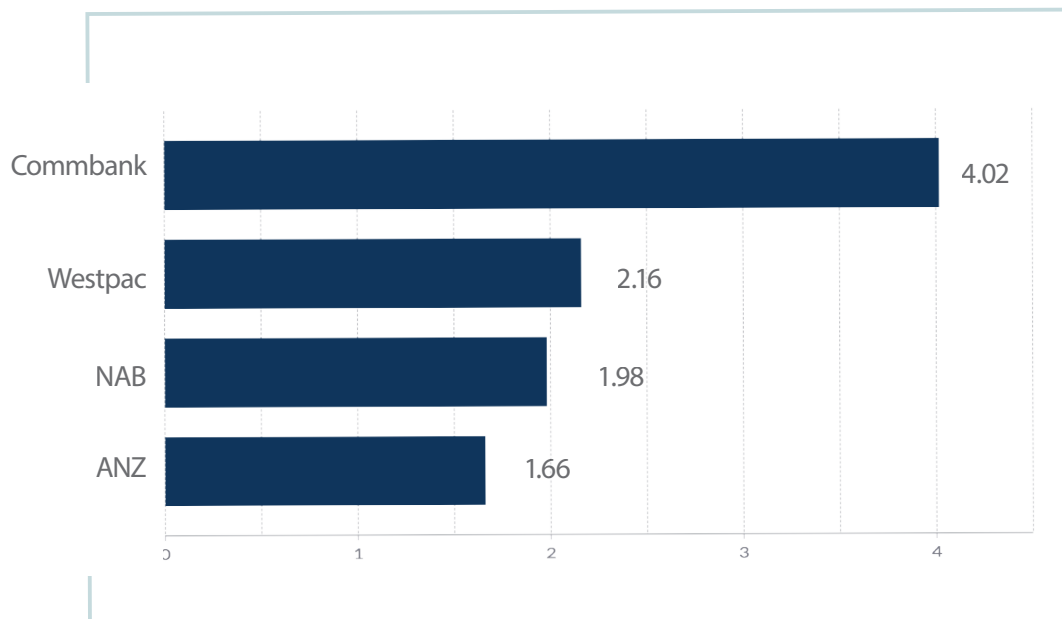


ORGANIC SEARCH: CONTENT RELEVANCE VERSUS BRAND RECOGNITION

THE ORGANIC SEARCH SECTION OF OUR REPORT EXAMINED THE ONLINE ORGANIC PERFORMANCE OF THE BIG FOUR BANKS FOR NON-BRANDED BANKING RELATED SEARCH TERMS.

FOR EACH OF THE THREE PILLARS OF THE COMPASS METHOD, WE HAVE DEVELOPED AN OVERALL IMPACT SCORE, SIMPLIFYING A CATEGORY INTO A SINGLE PERFORMANCE SCORE. THE RESULTS FOR OUR ORGANIC SEARCH IMPACT SCORE¹ ARE SHOWN BELOW:

ORGANIC SEARCH IMPACT SCORE (OSIS)



¹ The Wells & Harris Organic Impact Score breaks down overall organic performance into a single score from 1-5 (worst to best). It weighs market share, number of rankings, average search position and other factors.

KEY FINDINGS



MARKET LEADERS FIND THEIR NICHE

While it is clear that Commbank is the organic search market leader, we can conclude that this performance is niche-dependent.



THE RISE OF FINTECH

Comparatively new to the field, Airwallex and Statrys are already outperforming Commbank in some business banking subsets.



CONTENT RELEVANCE: THE NEW DOMAIN AUTHORITY

Not only is it safe to assume that these startups have considerably less marketing spend than Commbank, it is also true that they have less domain authority and much less brand recognition – yet they are already securing valuable digital market real estate.



CONSUMER-CENTRIC CONTENT

The other members of the Big Four could easily rival Commbank in terms of quality content and gain back market share. With its high number of number 1 rankings and clear brand awareness, it is safe to assume that across our keywords Commbank receives between 2 and 5 times as much organic traffic per month as the other members of the Big Four.



ORGANIC TRAFFIC FOR SUSTAINABLE ROI

When it comes to maintaining organic content, the cost is minimal and, with a strong foundation, growth can be achieved passively. In comparison to alternative channels, the ROI speaks for itself.

ORGANIC SEARCH: WHERE NEWCOMERS CAN GAIN NEW TERRITORY

BUSINESS BANKING NICHE ANALYSIS: FINTECH VERSUS THE BIG FOUR

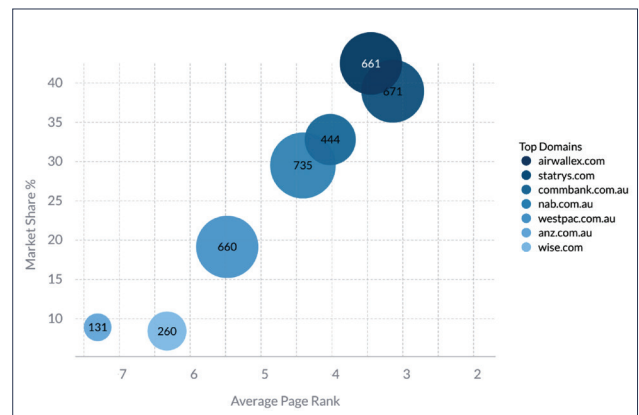
The aim of this section is to analyze one niche within finance: business banking. After creating a subset of purely business banking search terms¹, we performed the same analysis as with the overall organic traffic, charting market share, average search position and bubble size denoting number of rankings.

Top 10 Organic Performance in Business Banking

Interestingly, fintech startups Airwallex² and Statrys³ lead this niche, each with market shares of around 40%. This is clear evidence that factors other than budget influence organic rankings as it is safe to assume Statrys and Airwallex have lower marketing spends than the Big Four banks.

Commbank still performs well, but NAB is much closer in terms of performance and even has considerably more top 10 rankings.

Finance comparison sites Mozo, Finder and Canstar outperform Westpac and ANZ, which in particular has very poor presence in this niche.



KEY FACTORS THAT INFLUENCE ORGANIC RANKINGS

01 Further analysis reveals that the strong organic performance from Airwallex and Statrys is down to good, relevant content, not domain authority alone⁴.

02 In the case of the business banking niche, Google's algorithm is choosing the most relevant content that serves the needs of its users, which overrules overall traffic/domain authority of the Big Four.

03 While all Big Four banks are in the top 1000 websites in terms of traffic in Australia, Airwallex is only in the top 10,000 and Statrys in the top 1M⁵.

04 The startup brands Airwallex and Statrys specialize in serving the specific needs of this niche and it shows in the data.

¹The subset of business banking keywords was created from the original 10,000 keywords for the overall analysis – no further keywords were added.

²Founded in 2015 in Melbourne, Airwallex is an online financial software suite.

³Statrys is a startup founded in 2018 in Hong Kong and offers an online business banking software solution.

⁴Domain authority is considered by many SEO experts to be a key factor affecting ranking. Overall traffic is a good proxy as many of these factors correlate very strongly.

⁵This traffic categorization is based on the rank magnitude metric taken from the CrUX dataset (see references for further details)

PAID SEARCH: WHO WINS IN THE BATTLE OF GOOGLE ADS



AS WITH ORGANIC TRAFFIC, THE OVERALL IMPACT SCORE FOR PAID ADS SIMPLIFIES ALL CATEGORIES INTO A SINGLE PERFORMANCE SCORE.

THE WELLS & HARRIS PAID AD IMPACT SCORE (PAIS) RANKS OVERALL PAID PERFORMANCE FROM 1 TO 5 (BEST) BASED ON ALL ANALYZED FACTORS, WEIGHTED BY IMPORTANCE.



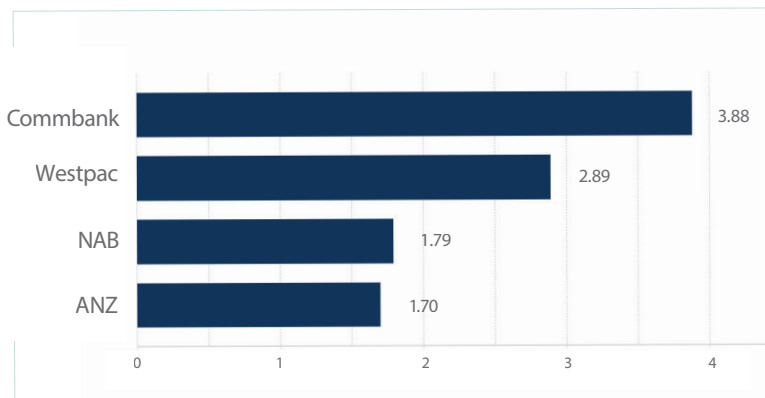
01

We can conclude that Commbank has the largest market share in terms of ad presence. These findings closely correlate with the estimated ad spend of the Big Four.

02

The banks rank in the same order as for the Organic Impact Score (OIS) – this shows that organic and paid efforts are related to each other and a holistic marketing strategy is necessary to master both channels.

PAID ADS IMPACT SCORE (PAIS)



03

There was a large amount of variation in the top ad competitors for each bank. A granular competitor analysis as well as more landing page diversity could result in a significant paid ad performance boost for the Big Four.

04

We also saw that there are device specific considerations - Westpac is the only member of the Big Four to run a majority of its ads on desktop devices.

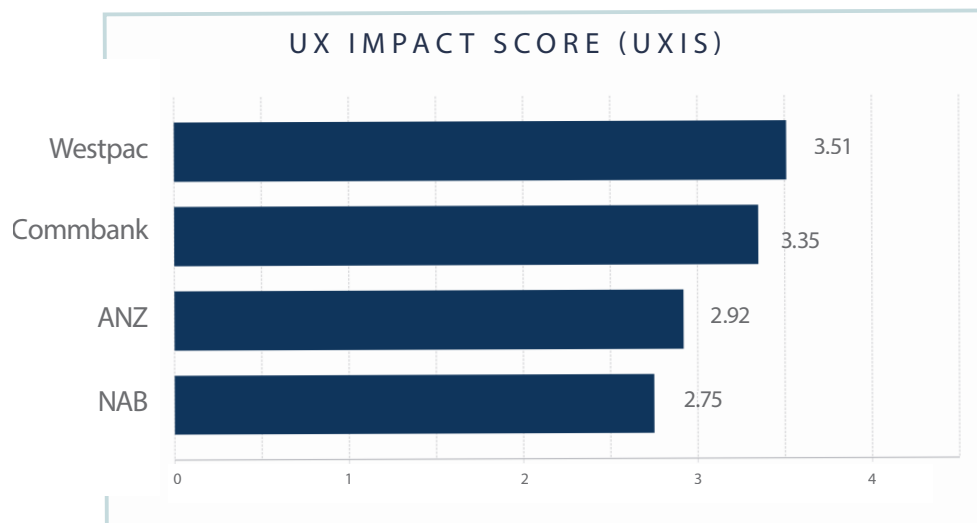
05

Landing page diversity is very low - this means that the banks are not making huge efforts to tailor landing pages to specific user groups, or ad groups, rather they are running the majority of ads pointing to just a couple of landing pages.

USER EXPERIENCE (UX): THE ROCKY ROAD FROM DESKTOP TO MOBILE

As with organic traffic and paid ads, we have developed an overall impact score for User Experience simplifying a category into a single performance score.

The Wells & Harris User Experience Impact Score (UXIS) ranks overall UX performance from 1 to 5 (best) based on all factors including device-specific loading time and other technical metrics. Our methodology builds on metrics offered by Google's Core Web Vitals and CrUX datasets, as well as Lighthouse performance and other data.



UX FINDINGS

- This is the only category not won by Commbank – Westpac are the leader with a score of 3.51.
- A key failing in UX was mobile performance. Slow loading times and poorly optimized websites are likely to frustrate users and lead to bad user experience.
- All of the Big Four minus ANZ – 60% of their traffic comes from desktop users and 40% from mobile – this shows a significant amount of users
- ANZ gets 45% from desktop and 55% from mobile, even worse for ANZ as they performed the worst both in the UX category overall and in mobile-specific performance.

KEY FINDINGS

HOW DO THE BIG FOUR BANKS IN AUSTRALIA COMPARE IN ONLINE MARKET PRESENCE AND WHAT FACTORS AFFECT PERFORMANCE?

Commbank is certainly the market leader and this shows in the data. But this is not just brand recognition, our research shows that its organic content ranks better for non-branded terms and its ads perform better overall. The key failing seems to be in lack of specificity and using a one size fits all approach for organic and paid search.



HOW DIFFICULT IS IT FOR EMERGING FINTECH PLAYERS TO BREAK INTO THIS MARKET AND EVEN OUTPERFORM THE TRADITIONAL BANKS?

The Big Four are not invincible and we believe that domain authority (long established trust and Google ranking benefits) are not based on how long a business has been established. Google is now looking for relevance in all things including content and the product offerings that this content is promoting. As evidenced by the business banking niche



DESPITE STRONG BRAND AWARENESS WITH CONSUMERS, THE BIG FOUR FACE A SIGNIFICANT CHALLENGE WHEN IT COMES TO DIGITAL PRESENCE. AGILE FINTECH NEWCOMERS ARE SHOWING THEY KNOW HOW TO ENTER MARKET NICHEs AND DOMINATE THEM.



FINTECH CATCHES UP

The Big Four are not invincible and we predict fintech to close the gap even further over the next few years.



BETTER UX, BETTER GROWTH

Agile brands like Airwallex and Statrys have the advantage of being able to pivot offers and services more quickly and build on more modern tech stacks for better UX.



OPTIMIZING FOR MOBILE USERS

Desktop UX is much better than mobile – this is still a key failing amongst the Big Four and as well optimized fintech brands continue to close the gap. With over 40% of customers using mobile to browse, the Big Four need to optimize sooner rather than later.



LANDING PAGE DIVERSITY

Amongst the Big Four paid marketing spends do not equal careful strategy. The Big Four could benefit from increasing the specificity of their ad landing pages and tailoring their offers to their various buyer personas.



GET GRANULAR

A holistic approach is needed for both research and optimization. Channels must be analyzed in isolation and ideally be geo and device-specific. Per-channel analysis must be underpinned by a clearly defined niche.

MEET WELLS & HARRIS

01



Custom Data Research Questions

Using our custom methodology and in-house processing tools, Wells & Harris breaks digital marketing strategy down to a granular level. From unique data insights to competitor analysis, we help you find the answers you need to grow.

02



Flagship Reports

Central to our report is the Wells & Harris Comprehensive Online Market Presence Analysis with Smart Segmentation (COMPASS) methodology. This analyse the numerous factors of digital presence and finds you the strategic edge over your competition.

03



Marketing Mix Modelling

Marketing mix modelling can analyze your offline ad spend and conversion channels to help optimize your marketing spend. It can also be used for multi-touch attribution modelling and help you better understand the customer journey.

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Predictive Lead Scoring

Advanced data analysis technique that finds patterns humans miss to create superior lead-scoring models. Give your sales and marketing teams the edge by accurately scoring prospects most likely to convert.

04



Recency Frequency Monetary Analysis

Analytics technique to surface the most high-value customers in a dataset. Boost the efficacy of customer retargeting campaigns and find the right customers with the highest LTV.

05



Threshold Analysis

Semantic, sentiment and Natural Language Processing (NLP) techniques to analyze what paid keywords can be safely used in line with Google's ever-changing, geo and content-niche specific Google Ads guidelines.

06



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