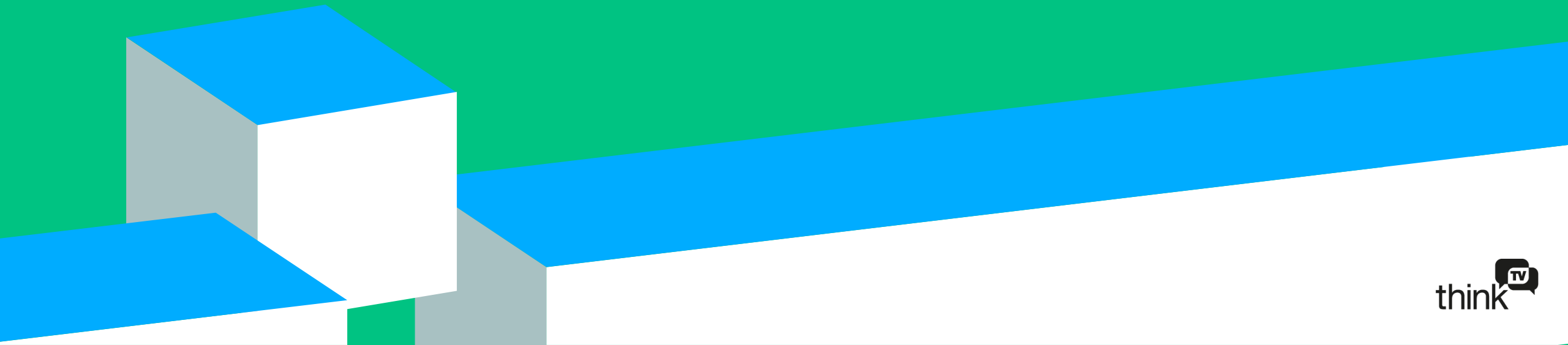


ON THE MONEY



The what, how, when, where and why of effective financial services marketing & video advertising in 2021

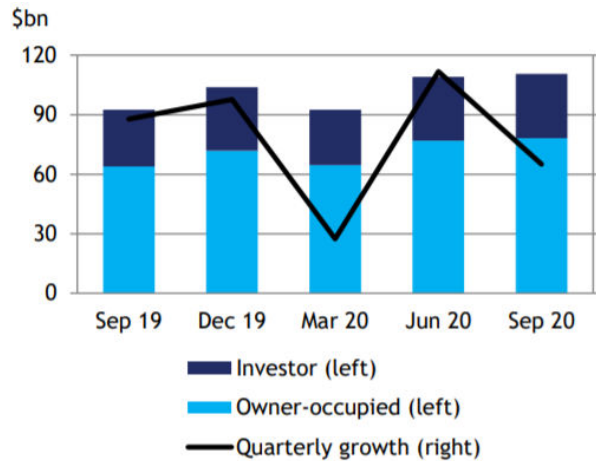
Hit the re-set button

2020 sent shock waves through the economy as Australians experienced a sudden dose of the unexpected. Financial institutions have played a crucial role in the lives of Australians during the last 12 months. By responding genuinely and compassionately, the sector has been recognised, and rewarded, with a significant increase in trust. Now the sector comes to its next inflection point. As JobKeeper and loan deferrals come to an end, Australians will need further support.

Every institution will respond differently but all must remain sensitive to the consumer's ongoing financial duress and reflect this in communications.

ThinkTV has turned to Australia's leading experts for advice to help finance marketers unlock success in 2021. The following is a guide on where to advertise, what to say and shortcuts to positioning your brand for success.

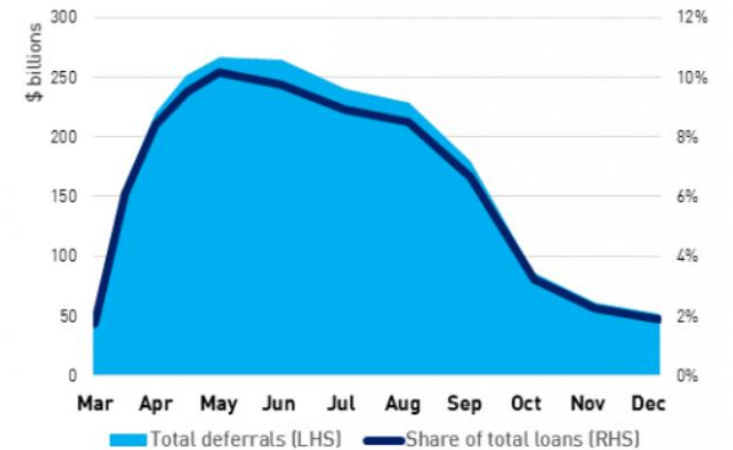
New residential mortgage loans funded



Unemployment rate, seasonally adjusted



Loans subject to repayment deferral



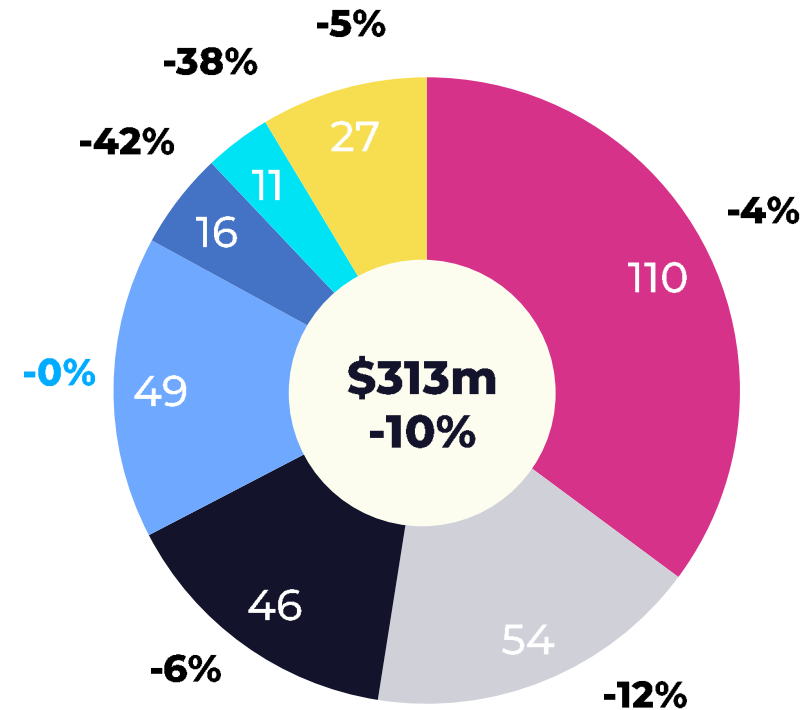
When to advertise?

The time to advertise is now

The first rule of marketing in a crisis is keep advertising

Source: Nielsen Ad Intel Jan20 to Sep20 v Jan19 to Sep19. Represents standard display and video ads on observed display sites. Eg No Facebook, no search, no classified style

Spend by category



- Corporate
- Superannuation investments
- Personal banking & services
- Other finance categories
- Financial services
- Home & property loans/services
- Business banking & services

Youi boosts brand by carrying on during COVID



Rather than viewing the fact people were using their cars less during the pandemic, Youi saw an opportunity.

Youi had a campaign scheduled to launch at the beginning of March 2020 that was all about the brand looking at everyone as an individual.

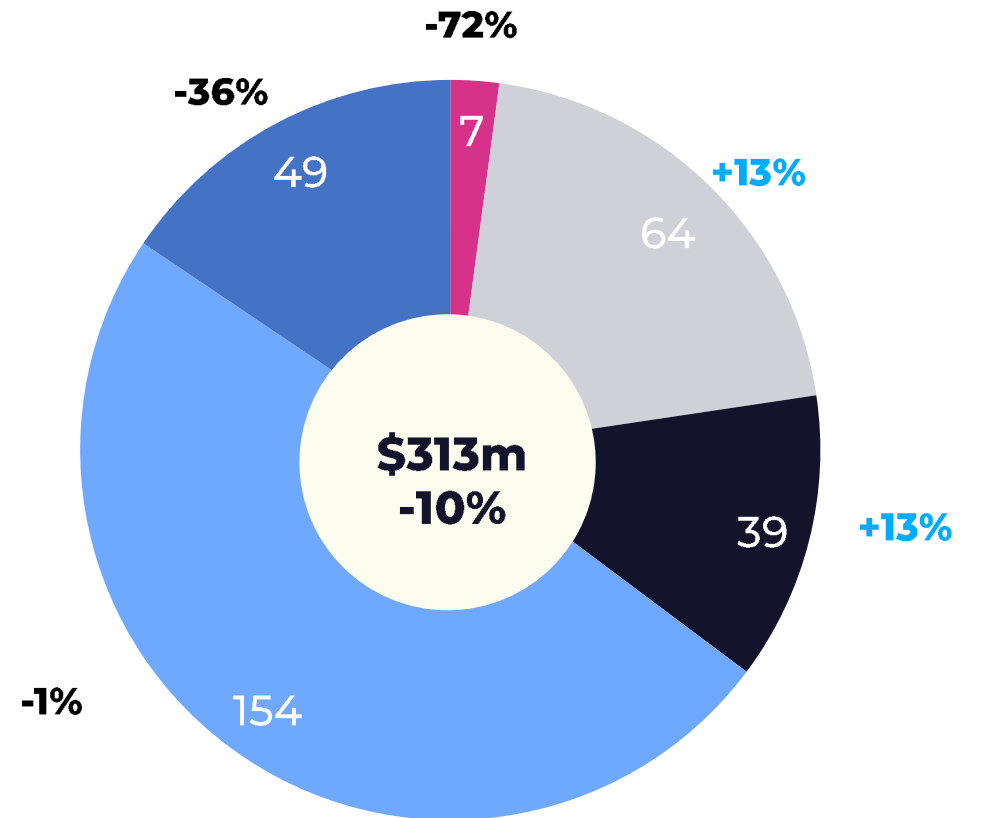
When CV-19 hit, Youi's data confirmed a significant decrease in claims. The business chose to pivot the messaging to offer a discount to new and existing customers who were using their cars less during the pandemic.

Using existing assets, the brand tweaked the campaign to speak to consumer sentiment. The result was a brand boost with Youi being recognised for helping people out during a difficult time.

Australians need your support

And they turn to TV in times of crisis

Finance ad expenditure: by media type



- Cinema, direct mail, magazines
- Radio
- Out-of-home
- Newspapers
- TV

St.George boosts its brand with the help of TV

Unlike some brands that chose to put advertising on hold during CV-19, St.George continued with plans to run a brand campaign.

St.George Head of Brand and Advertising Kate Kissane said, “In a crisis, brands should lean into their strengths and live up to their values more than ever.”

With media consumption habits shifting during the pandemic, the channel selection needed revision. Kissane says: “We prioritised TV and video on demand which are channels that lend themselves well to storytelling and achieving reach.”

By doing this, St.George achieved record levels of brand recall.



What to say?

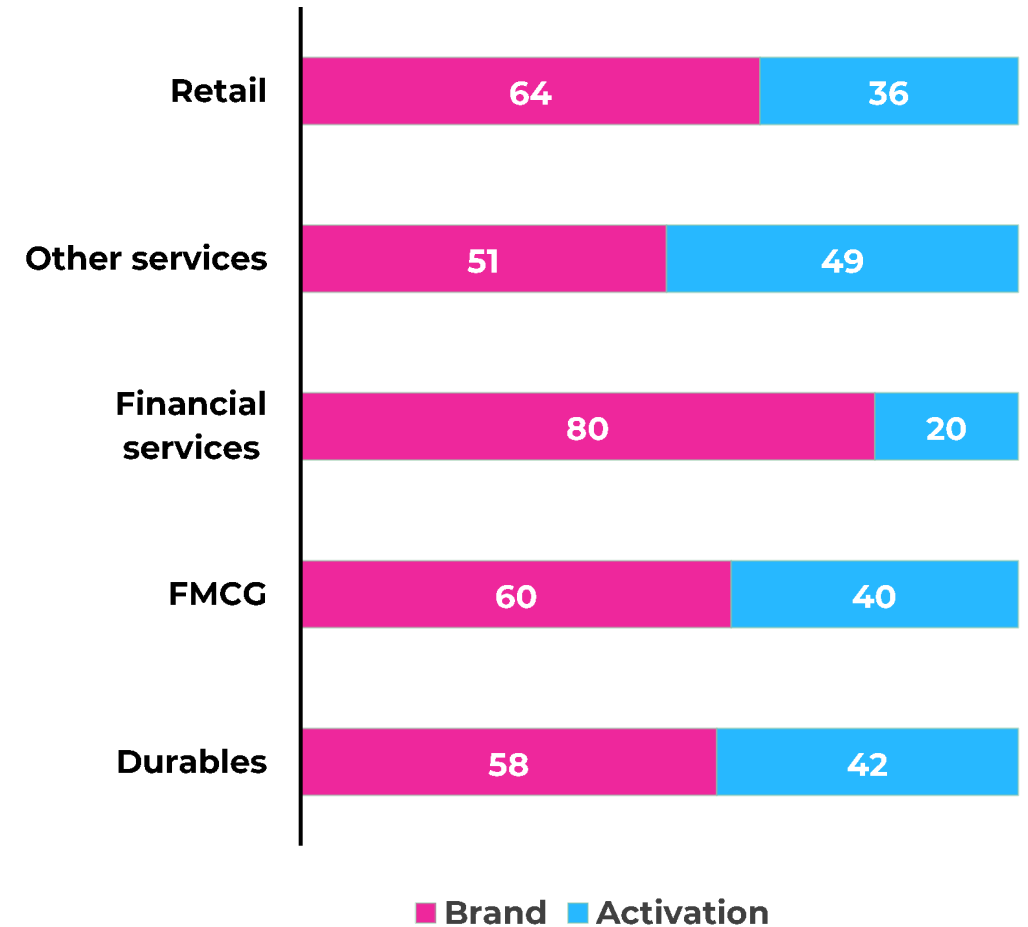
Be brand focused: build brands to build business growth

Binet & Field's extensive analysis of effective campaigns across a range of categories established the 60:40 rule. The theory is that maximum impact is delivered to brands that allocate 60% of marketing investment to brand building and 40% to short-term activation.

Ratios differ by sector. For banking and finance, where brand is crucial for long term business value, Binet and Field recommend long-term brand-focused campaigns are upweighted.

Coupled with emotive messaging that reflects current consumer challenges, brand-building campaigns will be effective as Australia emerges from the COVID crisis.

Source: Marketing in Context. Binet & Field.



How to say it?

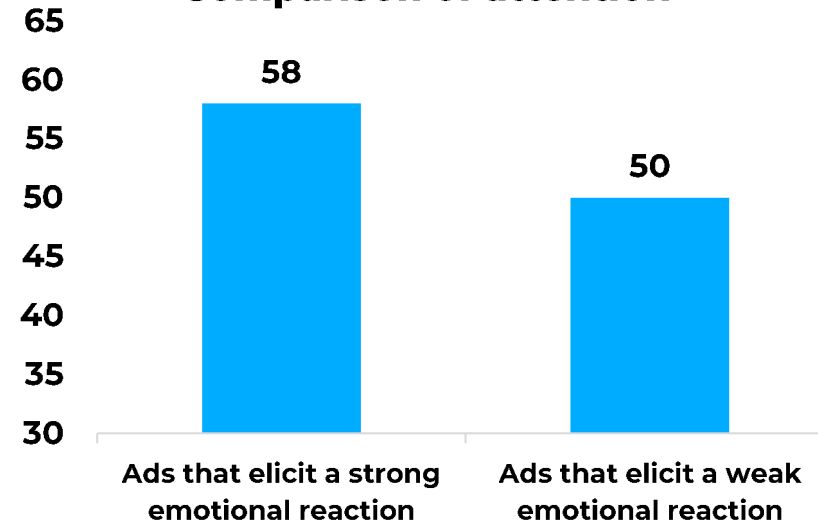
Say it with feeling

Ads that elicit strong emotional reactions get more attention and increased sales impact

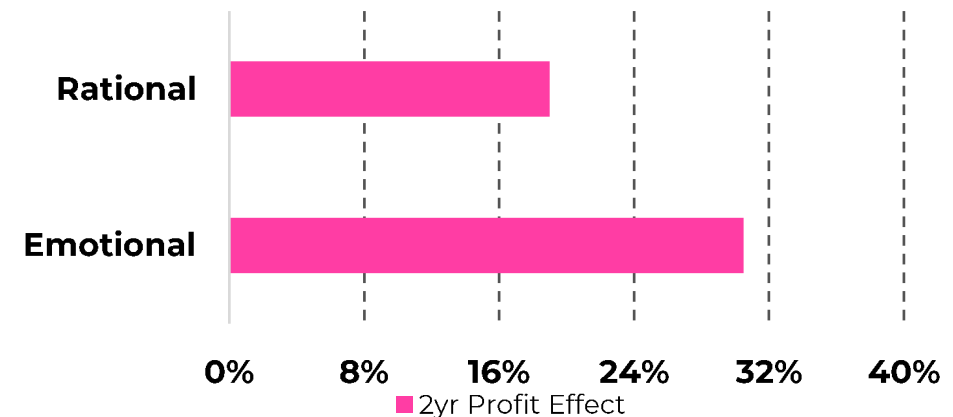
"Emotional advertising works best even for highly researched purchases." - Binet & Field

Source: Binet, L. & Field, P. (2013) The Long and the Short of It. IPA; Does emotional advertising aid advertising effectiveness? The Benchmark Series, ThinkTV, (2017)

Comparison of attention



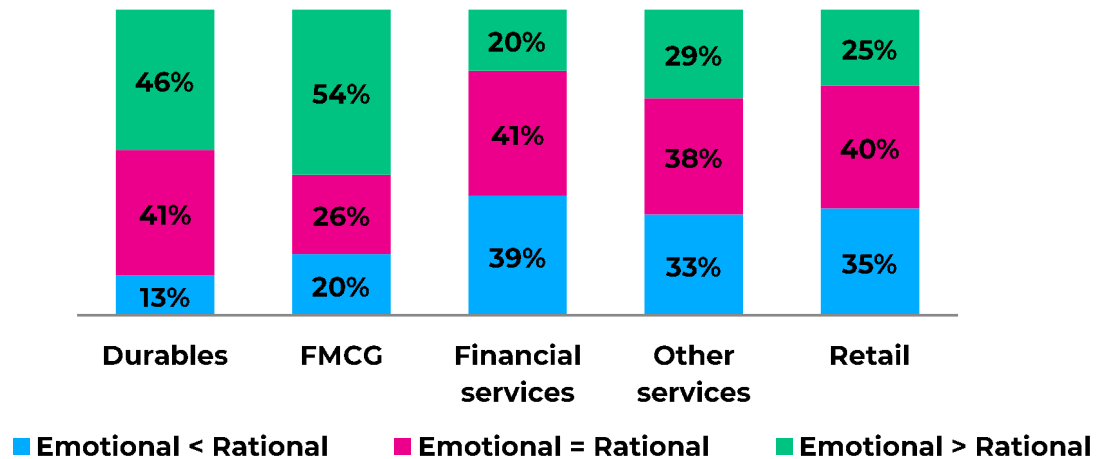
Emotional messages tend to have more impact than rational



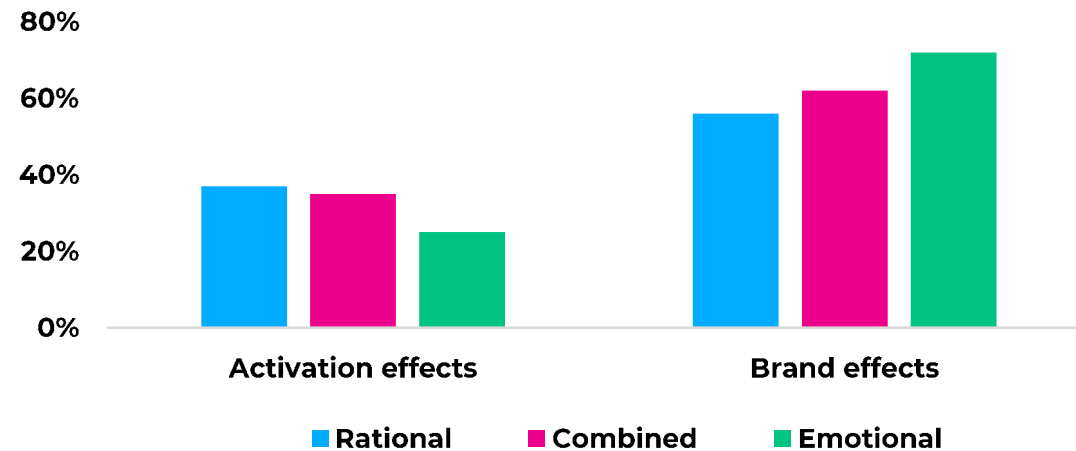
Say it with feeling

“The balance of emotional v rational brand consideration has a major impact on the potency of emotional and rational advertising. For financial services, emotion is the big influencer for brand consideration.” - Binet & Field

emotional v rational consideration
in the choice of brand



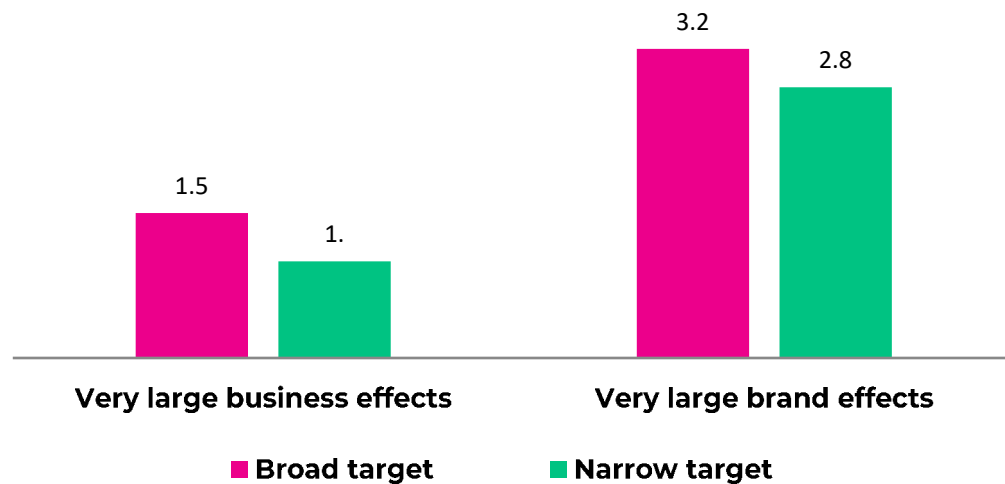
Percentage of campaigns that have
very large effects



Where to say it?

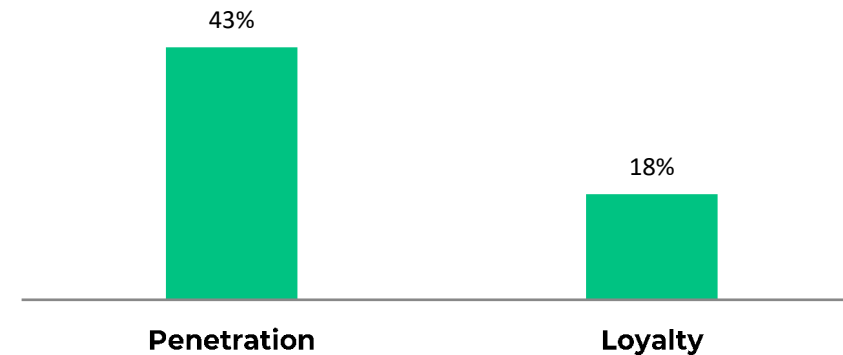
Reach a broad audience. Brands grow when video advertising targets broadly to reach all potential buyers

Broad versus narrow targeting



Broad reach makes campaigns successful, from business performance to brand building outcomes.

Financial services percentage of campaigns with very large effects

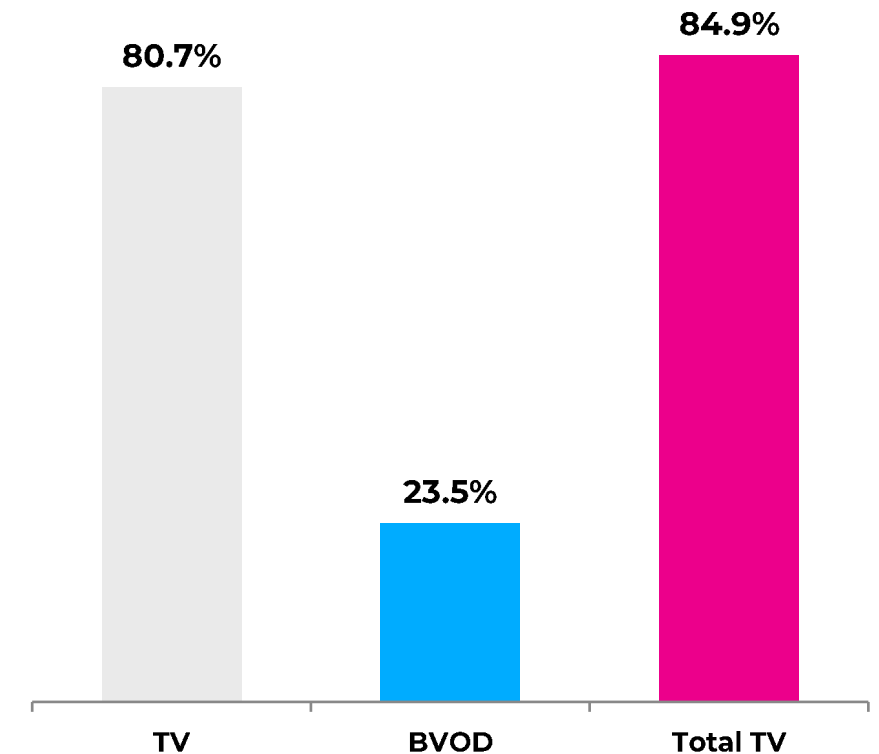


Finance brands benefit more from reach than other categories get seeing more than twice the impact from high reach penetration campaigns vs loyalty campaigns targeting existing customers.

Reach is the biggest driver of video advertising effectiveness and nothing beats the mass reach of TV

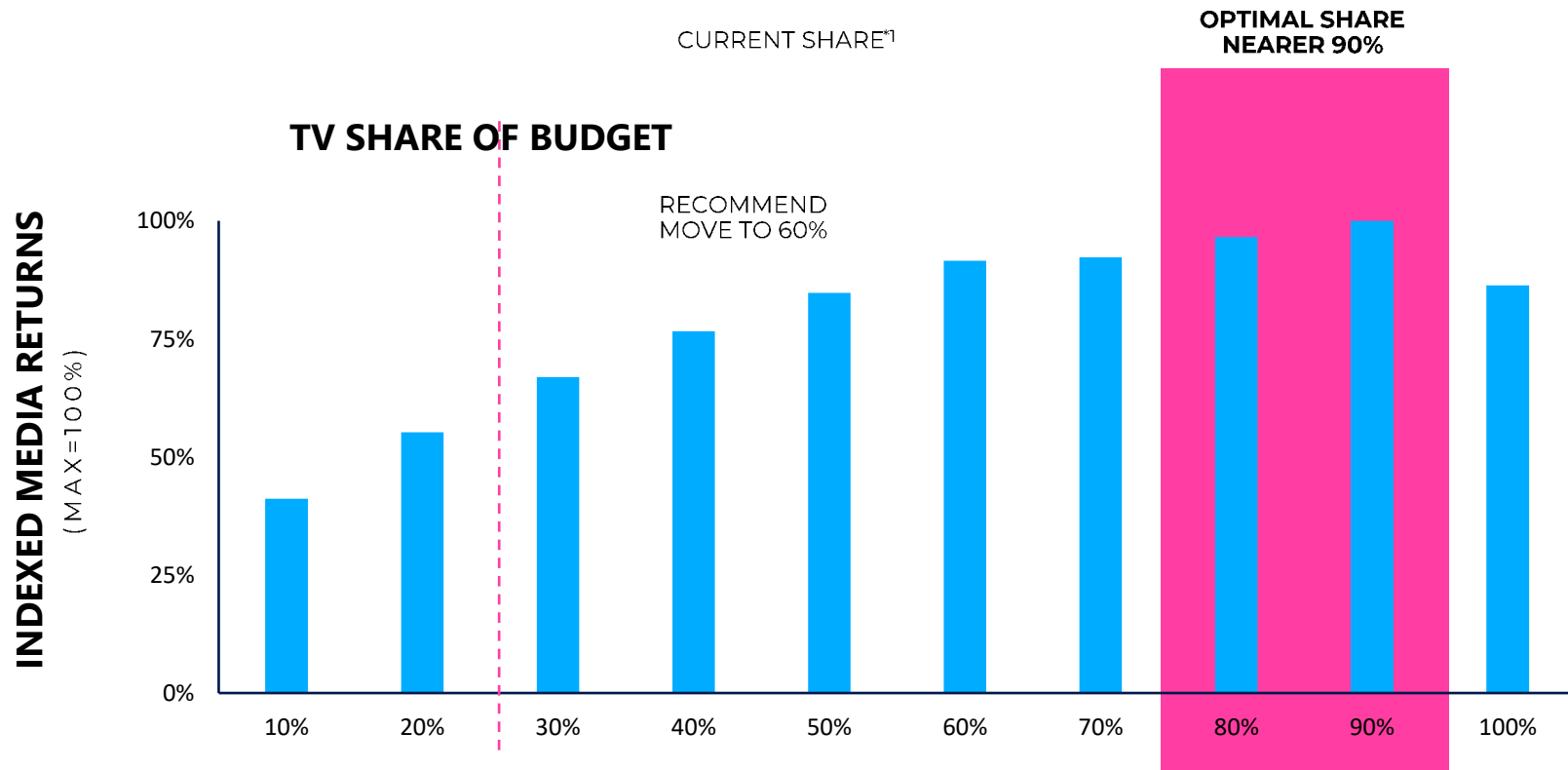
- Successful campaigns reach all potential buyers.
- Binet & Field and Byron Sharpe agree reach is the biggest driver of advertising effectiveness.*
- Total TV engages 85% of Australians every week and this is growing.
- TV is increasingly being consumed online, both live and on-demand.
- BVOD is Australia's fastest growing media with more than 1.6 million hours of BVOD content consumed every week as more and more Australians embrace the platform.

Total TV engages 85% of Australians every week



History shows TV investment works harder than any other media

Currently, financial services brands are investing less than 50% of media budgets in TV however analysis of ROI shows 80-90% of spend should be allocated to TV to achieve the greatest return.



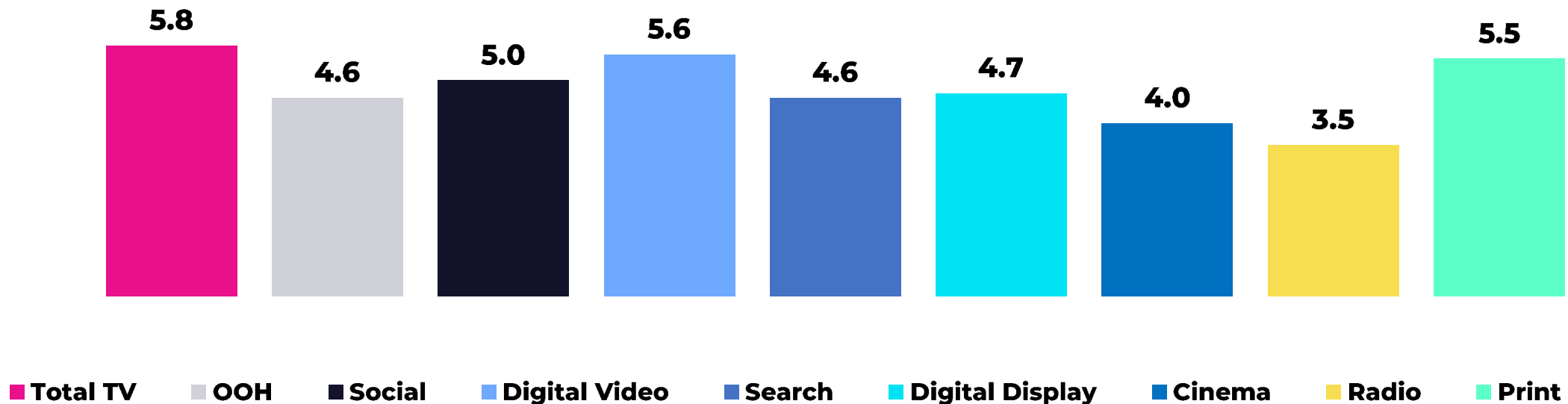
Source : Payback Australia : Maximising payback – Optimising media mix for maximum brand growth (Ebiquty)

¹ Source : Nielsen Ad Intel Jan20 to Sep20 v Jan19 to Sep19. Represents standard display and video ads on observed display sites. Eg No Facebook, no search, no classified style

How can I be certain?

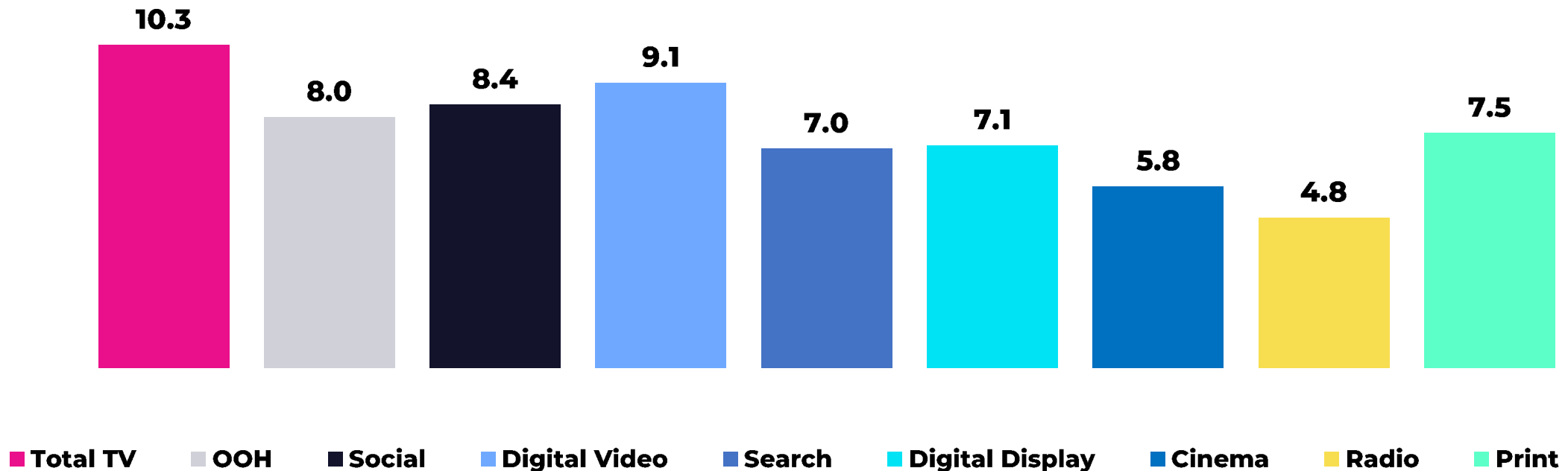
Total TV delivers the greatest immediate business impact for finance brands

Average short-term ROI



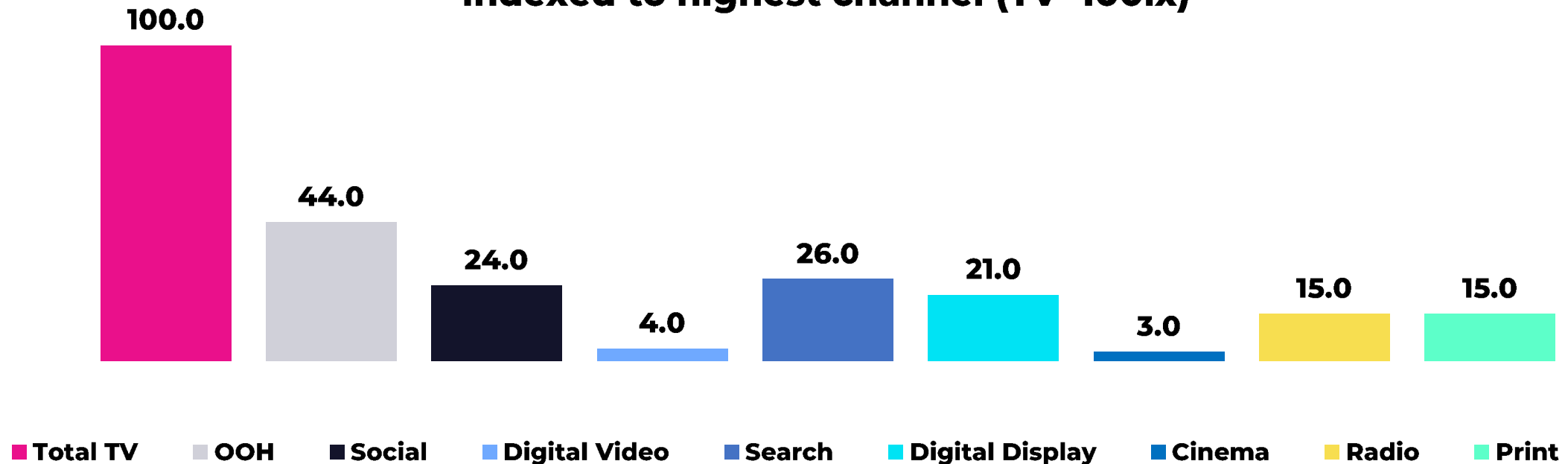
Total TV delivers the greatest long-term ROI of all media channels for finance brands

Average long-term ROI



Total TV delivers 2x the business impact of the next best channel

Sales volume contribution indexed to highest channel (TV=100ix)



**In the short-term,
Total TV delivers
financial brands
\$5.80 for every \$1
invested...**

**...which is \$1.20
more than OOH...**



**...and \$1.20 more
than search**



**In the long-term,
Total TV delivers
financial brands
\$10.30 for every \$1
invested...**

**...which is \$2.30
more than OOH...**

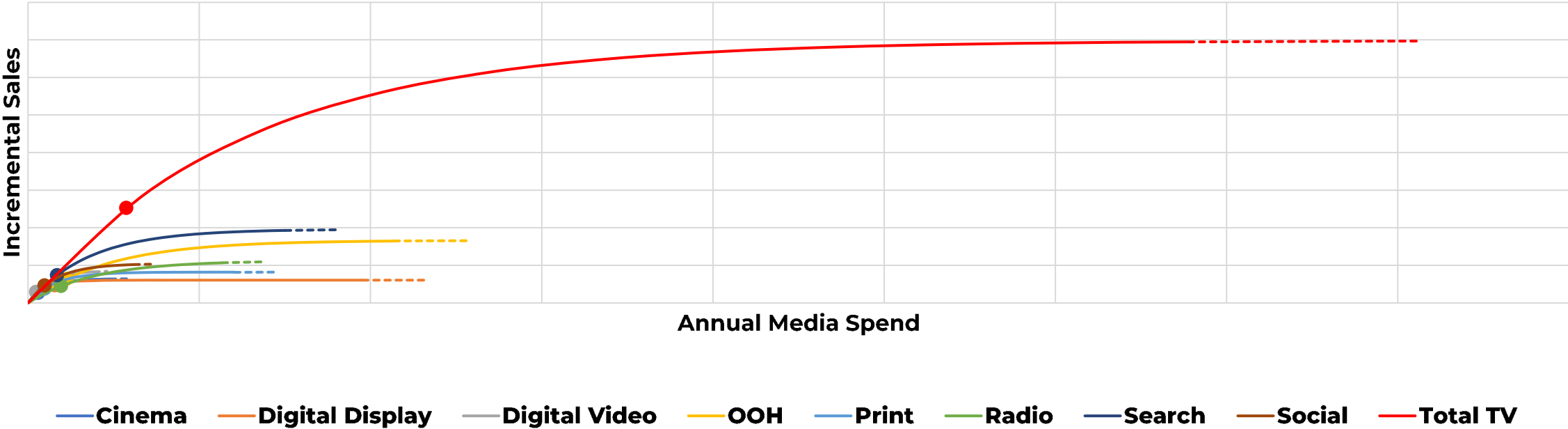


**...and \$1.90 more
than social**



Investment in Total TV generates more incremental sales than any other channel

Financial services short-term revenue curves



Source: 'Demand Generation', Feb 2021, Mindshare/MediaCom/Wavemaker/GroupM/Gain Theory. The payback series analyses the ROI of 60 brands with annual turnover of \$23b, and \$450m in advertising. Data is based on 14 finance brands



Be on the money with TV

- 1. Building brands builds business.** Binet & Field recommend an 80:20 split between brand building and brand activation in the finance sector.
- 2. Say it with feeling.** Advertising that elicits an emotional response garner more attention from consumers and delivers bigger business impact.
- 3. Reach a broad audience.** Brands grow when video advertising targets broadly to reach all potential buyers.
- 4. TV is a workhorse for Financial Service brands.** Total TV delivers 2x more impact than any other media channel in the Financial Services Sector. And it makes other channels work harder when it's included in your media plan.
- 5. Investment in TV drives growth in the long and short term.** Within 3 months, every dollar invested in TV advertising returns \$5.80, growing to \$10.30 with activity of 6 months or longer.

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