



Mozo Experts Choice Awards
Personal Loans 2024

Methodology Report
November 2023



Mozo Experts Choice Awards Personal Loans 2024

Every day, Mozo keeps track of thousands of products in banking, insurance and energy.

We use our knowledge and experience to identify those products that offer great value or market-leading features, and we recognise them with the Mozo Experts Choice Awards.

- For product providers, a Mozo Experts Choice Award is a third-party endorsement of their product.
- For consumers, it's a sign that a product is among the leaders and is worthy of consideration.

This report lists the winners and explains the judging methodology for our 2024 Personal Loan awards.

Personal Loans - 2024 Winners

Personal Loan Provider of the Year



Teachers Mutual Bank is our winner of the Personal Loan Provider of the Year Award for 2024. With three awards Teachers Mutual Bank ranked highly in categories for both secured and unsecured lending. Teachers Mutual Bank and its brands took out wins in Unsecured Personal Loan, Car Loan and Used Car Loan awards.

Teachers Mutual Bank offers the same personal and car loans under the brands - Health Professionals Bank, Firefighters Mutual Bank, UniBank, and Hiver Bank.

Unsecured Personal Loan

Most unsecured personal loans allow complete freedom of purpose and are fairly similar in many respects. Rates and fees can vary enormously, so the judges identified the general purpose loans offering the best rate and fee combination.

For this category some winners are those where rates or fees vary depending on your credit score and other factors. These were assessed along with 'flat' priced loans to identify the loans where borrowers were most likely to get the best rates overall.

Australian Mutual Bank

Personal Loan

Community First Bank

Personal Loan

Easy Street

Unsecured Personal Loan

Teachers Mutual Bank

Firefighters Mutual Bank

Health Professionals Bank

UniBank

Hiver

All Purpose Loan (Fixed, Unsecured)

RACQ Bank

Unsecured Personal Loan

Excellent Credit Unsecured Personal Loan

Where loans are priced based on the risk profile of applicants there are some great options available for those with excellent credit scores. For the Excellent Credit categories we took the best advertised rate available and awarded loans where they offer as good value as the most competitive flat priced loans.

Great Southern Bank	Unsecured Personal Loan
ING	Unsecured Personal Loan
Liberty	Personal Loan (Unsecured)
MoneyPlace	Unsecured Personal Loan
NOW Finance	Unsecured Personal Loan
OurMoneyMarket	Low Rate Personal Loan (Excellent Credit)
Pepper Money	Personal Loan
Plenti	Personal Loan (Exceptional Credit)

Car Loan

To find the cheapest car loan for buying a new car, Mozo's money experts combed through 83 different personal loans and calculated the cost of a \$30,000 new car loan including interest, fees and charges repaid over 5 years.

BCU Bank	New Car Loan
Beyond Bank	Low Rate Car Loan Special Offer
Teachers Mutual Bank Firefighters Mutual Bank Health Professionals Bank UniBank Hiver	Car Loan (Fixed, Secured)
Greater Bank	New Car Loan
Illawarra Credit Union	Online Personal Loan Package
IMB Bank	Car Loan
Police Credit Union	Low Rate Car Loan (Variable, Special Offer) Better Car Loan (Fixed, Special Offer)
South West Slopes Credit Union	5 Year Term Vehicle Loan

Used Car Loan

Here's the list of Mozo Experts Choice Award winners in our used car category. We compared all loans in our database to find the best value loans for used car borrowers. Calculations were based on a lower \$15,000 loan including interest, fees and charges repaid over 5 years.

BCU Bank	New Car Loan
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Beyond Bank	Low Rate Car Loan Special Offer
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Teachers Mutual Bank Firefighters Mutual Bank Health Professionals Bank UniBank Hiver	Car Loan (Fixed, Secured)
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Gateway Bank	Used Car Loan (Under 5 years old)
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IMB Bank	Car Loan
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South West Slopes Credit Union	5 Year Term Vehicle Loan
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Excellent Credit Used Car Loan

NOW Finance	Secured Car Loan
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Pepper Money	Secured Loan
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Secured Personal Loan

If you're in the market for a general purpose secured personal loan, the Mozo Experts Choice Award winners below are a great starting point.

Greater Bank	Secured Personal Loan
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Illawarra Credit Union	Online Personal Loan Package
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IMB Bank	Secured Personal Loan (Fixed)
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Newcastle Permanent	Personal Loan (Secured)
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Police Credit Union	Personal Loan (Secured)
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South West Slopes Credit Union	Secured Personal Loan
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Excellent Credit Secured Personal Loan

OurMoneyMarket	Secured Personal Loan
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Green Car Loan

If you're searching for a low emission car and want a low rate car loan to match, check out the Mozo Experts Choice Award pick for best green car loans. Our experts based the cost comparison on a \$30,000 loan over 5 year scenario.

Bendigo Bank

Green Personal Loan (Secured)

RACQ Bank

Green Car Loan

Green Personal Loan

Thinking of borrowing for an environmentally friendly purpose? We compared all loans in our database fitting this criteria, based on a \$10,000 loan repaid over 3 years.

Gateway Bank

Eco Personal Loan

Police Credit Union

Solar Eco Loan

Queensland Country Bank

Green Reno Loan

How do we judge the winners?

Mozo Experts Choice Awards for Personal Loans are awarded in the following categories and based on the following methodology:

Common Calculations

The applicable interest rate, whether variable or fixed, and all mandatory fees, were taken into account across all personal loan award categories. Application fees, regular service fees and any exit fees are considered as ‘mandatory fees’.

To allow for variations in rates and fees over time we performed calculations at three dates and averaged the results. The dates used were 13 August, 13 September and 13 October 2023. Any loans not available at each of these three dates were excluded from the final analysis.

Where a product offers multiple rate options (e.g. fixed, variable, secured, unsecured, etc.) each option qualifying for inclusion in the category was assessed separately and, unless otherwise specified in the lists of winners, all rate options qualified for the award. Where the interest rate varied depending on loan amount, the relevant rate for the award category was used.

Products with risk-based pricing (where the consumer's credit score and other factors determine the final interest rate that is offered) were included in the Unsecured Personal Loan and Secured Personal Loan categories, where Mozo was able to obtain sufficient pricing information from the lender. For such loans, the cost calculations were done over a large number for different customer scenarios. The winner list for those categories is made up of a combination of the best single rate and the best risk-based products.

Unsecured Loans, Car Loans and Used Car Loans with risk-based pricing were considered in the relevant categories by using only the rates offered to ‘excellent credit’ customers. The best of these were awarded in the Excellent Credit categories as they may be a better option for people who have top-notch credit scores.

Products requiring an upfront deposit, existing membership, term deposit or direct salary deposits were not eligible for awards.

We did not consider late payment fees, extra repayment facilities and any other features or exception fees.

Unsecured Personal Loan

This award considers loans in the Mozo database that do not have restrictions on the use of the funds and without the need to provide security.

For loans where the rates and fees are the same for all customers, the judges calculated the total cost of a loan of \$10,000 repaid over 3 years, and produced a ranking of loans from cheapest to most expensive.

A portion of lenders vary the interest rate on a loan depending on an applicant's credit score and application details. The cost calculation for these was based on the total cost of a loan for 80 different customer scenarios which varied by amount, term, loan purpose, credit score and other customer details such as income and employment status. Because not all lenders offer a loan for all 80 scenarios, the judges went through a process of comparing each lender against each other lender by considering only the scenarios where they both offer loans. Through this process, a relative ranking of lenders was produced.

The winners in this category are the best few lenders from each of the two sections.

Car Loan

The Car Loan category awards the lowest cost personal loans for consumers buying a new car. We identified all loans in the Mozo database that can be used to purchase a vehicle, with the vehicle required as security against the loan. Using the scenario of a \$30,000 loan repaid over 5 years, we calculated the total cost (including principal, interest, fees and charges).

Products were then ranked from lowest to highest cost based on the above calculations.

Used Car Loan

The Used Car Loan category awards the lowest cost personal loans for consumers buying a 5-year-old used car. This included products with the specific purpose of purchasing a used car with the car offered as security against the loan, as well as other products that could also be used to fund the purchase where a vehicle was required as security. The same calculation methods as the Car Loan category was employed, apart from the loan amount, which was reduced to \$15,000. Products were then ranked from lowest to highest cost.

Secured Personal Loan

This award considers loans in the Mozo database that do not have restrictions on the use of the funds but require an asset as security. Using this criteria and a loan amount of \$10,000 repaid over 3 years, products are ranked from lowest to highest cost based on the common calculation method.

Green Car Loan

Only loans that offer specific rates or fees to encourage the purchase of low emission vehicles and require the vehicle as security for the loan were considered for this award. A cost calculation using a \$30,000 amount over 5 years was then performed.

Green Personal Loan

We identified all loans in the Mozo database that can only be used for environmentally friendly home improvement purposes (such as solar energy installations, rainwater tanks, and insulation improvements), then performed the cost calculation using a \$10,000 amount and 3 year term. Those products were then ranked from lowest to highest cost.

Personal Loan Provider of the Year

To recognise the provider that has been the most successful in these awards, we awarded an overall Provider of the Year award. The judges considered all providers that had won awards for multiple products in both a secured and unsecured loan category. The winner was chosen after considering the number of awards won and the breadth of categories those wins were achieved in.

What products do we consider?

In carrying out the Mozo Experts Choice Awards in Personal Loans, we analysed 350 personal loan products issued by 88 Australian financial institutions based on data contained in Mozo's product database as at 13 October 2023.

We aim to include most personal loan providers in the market in the Mozo Experts Choice Awards. However, not every personal loan product on the market will be included in our review.

Any personal loan product we review must be available in the market at the time of our analysis and any offers included must be available to the general public on the provider's website.

How many winners are there?

We typically aim to award the top 10% of products in each category. The judges use their discretion to adjust the cutoff up or down as necessary after examining the difference between products at the margin, to better ensure a fair split between winners and non-winners.

How we manage conflicts of interest

Mozo Experts Choice Awards are awarded irrespective of a product provider's commercial relationship with Mozo.

The Awards are based on objective verifiable facts and analysis wherever possible, and any assumptions made are set out in this report. Mozo's research team analyses product data and determines the winners in each Mozo Experts Choice category without reference to Mozo's sales or commercial functions.

Providers do not pay to enter the Mozo Experts Choice Awards.

Should a winning provider wish to use the Mozo Experts Choice Awards badges in their own marketing activities, Mozo charges them a licence fee.



Mozo provides a comparison service with the goal of helping consumers to make their own financial decisions and save money. Mozo offers consumers a comprehensive product comparison service across the retail banking market, general insurance, life insurance, business banking, energy and more.

Hundreds of thousands of Australians a month use Mozo's comparison service. Mozo's comparison technology and expertise has been used by some of Australia's largest online publishers.

Mozo holds an Australian Financial Services Licence and an Australian Credit Licence. Mozo's management team have experience in consumer credit and financial services in a variety of roles from executive management, marketing, actuarial services and technology. Mozo's team are often called upon to provide expert media commentary in relation to the product areas they cover.

Our Mozo Experts Choice Awards analysis is overseen by AJ Duncanson, Mozo's Director of Data & Compliance, and Peter Marshall, our Financial Services Specialist. AJ is a data scientist and actuary and has worked in financial services and product comparison for over 31 years. Peter has worked for a wide range of Australian banks and product comparison for the past 37 years. Both AJ and Peter act as Responsible Manager on Mozo's Australian Financial Service Licence and Australian Credit Licence.

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Appendix

List of all personal loan lenders considered in the awards

abal banking	First Choice Credit Union	OurMoneyMarket
Alex Bank	First Option Bank	P&N Bank
ANZ	G&C Mutual Bank	People's Choice
Australian Military Bank	Gateway Bank	Pepper Money
Australian Mutual Bank	Great Southern Bank	Plenti
Australian Unity	Greater Bank	Police Bank
Auswide Bank	Handypay	Police Credit Union
Bank Australia	Harmony	QBANK
Bank First	Health Professionals Bank	Qudos Bank
Bank of Melbourne	Heritage Bank	Queensland Country Bank
Bank of Queensland	Hiver	RAA
BankSA	HSBC	RACQ Bank
BankVic	Hume Bank	RACV Finance
Bankwest	Illawarra Credit Union	Regional Australia Bank
BCU Bank	IMB Bank	SocietyOne
Bendigo Bank	ING	South West Slopes Credit Union
Beyond Bank	Latitude	Southern Cross Credit Union
Cashify	Liberty	St.George
Citi	loans.com.au	Stratton Finance
Coastline Credit Union	Macquarie	SureMoney
Coles	Macquarie Credit Union	Teachers Mutual Bank
Commonwealth Bank	MoneyMe	The Capricornian
Community First Bank	MoneyPlace	The Mutual Bank
Credit Union SA	MOVE Bank	Transport Mutual Credit Union
Defence Bank	NAB	UniBank
Driva	Newcastle Permanent	Unity Bank
Easy Street	Northern Inland Credit Union	Westpac
EBP Money	NOW Finance	Wisr
Family First Credit Union	NRMA	
Firefighters Mutual Bank	Orange Credit Union	