**Assignment 3:**

**Marketing Plan for Bendigo Bank’s**

**Contactless Payment App for Small Businesses**

**Subject Code:** MKT500

**Subject Name:** MKT500 Marketing for Managers

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**1. Executive Summary**  
Bendigo Bank is launching a Contactless Payment App designed to empower small businesses across Australia. The app enables secure, fast, and hardware-free digital payments through card, NFC, or mobile wallets, while integrating loyalty rewards and providing actionable customer analytics. This innovation directly supports small businesses' transition to digital commerce, particularly those in regional or underserved markets.

Amid the rising demand for contactless solutions post-COVID, this app offers a cost-effective, low-barrier entry to digital transactions. It addresses common small business concerns such as high POS setup costs, limited reward capabilities, and a lack of digital readiness. Unlike mainstream competitors like Square or Tyro, Bendigo Bank’s solution uniquely combines the reliability of a community-focused bank with fintech simplicity and built-in loyalty.

The objective is threefold: drive rapid adoption of the app, enhance brand loyalty among SME clients, and position Bendigo Bank as a champion for digital transformation in Australia’s small business ecosystem. With strong existing relationships in regional areas, the bank can differentiate through personalised support, bundled pricing for current customers, and intuitive onboarding.

This marketing plan outlines a research-backed, cost-effective strategy to roll out the Contactless Payment App nationally, including digital and community-based promotions, partnership opportunities, and a transparent, competitive pricing model to attract and retain small business clients.

**2. Marketing Research**  
Consumer payment preferences in Australia have shifted significantly since the COVID-19 pandemic. According to the Reserve Bank of Australia (2023), card payments now account for over 75% of in-person transactions, with mobile wallets growing at 25% annually. Small businesses must adapt to this demand for fast, hygienic, and contactless solutions.

However, SMEs face critical pain points. A Deloitte (2023) report highlights cost barriers to adopting point-of-sale (POS) terminals, with 38% of small businesses citing upfront investment as a deterrent. Others lack integrated loyalty options or hesitate to adopt tech without local support.

Competitors such as Square and Tyro dominate the contactless payment market with sleek offerings but often overlook personalised support and loyalty integration. Zettle by PayPal offers hardware solutions with limited analytics, while CBA’s Albert terminal is geared toward larger enterprises.

An opportunity lies in leveraging Bendigo Bank’s regional credibility and trust. The ACCC (2023) notes that small businesses are more likely to trust institutions with a community presence when adopting digital tools. Bendigo’s strong branch network and SME relationships offer a competitive edge.

Furthermore, Harvard Business Review (2022) emphasises that loyalty programs can increase customer retention by 25%, making them crucial for small businesses that thrive on repeat customers.

By combining fintech innovation with community banking ethos, Bendigo Bank can deliver an offering that addresses real SME challenges digital enablement, affordability, and customer retention positioning the bank as a leader in supporting small business resilience and growth.

**3. Proposed Product/Service**   
Bendigo Bank’s Contactless Payment App is a mobile-first digital payment solution tailored to the evolving needs of Australian small businesses. Built to simplify commerce in a rapidly digitising market, the app empowers merchants to accept contactless payments via debit/credit cards, NFC-enabled smartphones, and mobile wallets without the need for external hardware or traditional point-of-sale (POS) systems.

This solution integrates directly with existing Bendigo Bank business accounts, offering a unified experience across banking, payments, and analytics. Designed with simplicity and scalability in mind, the app is ideal for small-to-medium enterprises (SMEs), sole traders, pop-up retailers, market vendors, service providers, and regional businesses looking to modernise their operations with minimal cost and effort.

**Key Features and Differentiators:**

* **No Hardware Required:** Eliminates the cost and complexity of installing POS terminals or card readers; businesses can simply use their smartphones to accept payments.
* **Low Transaction Fees:** Offers transparent, flat-rate pricing that is more competitive than many major payment platforms (e.g., Square, PayPal, or Stripe).
* **Instant Settlement:** Enables real-time payment settlement into linked Bendigo Bank accounts, improving cash flow management for small businesses.
* **Built-in Loyalty Program:**
  + Customisable rewards such as point accumulation, exclusive offers, birthday discounts, and visit-based promotions.
  + Encourages repeat business and strengthens customer relationships without requiring third-party integrations.
* **Smart Analytics Dashboard:**
  + Visualises key metrics like average transaction value, peak sales hours, returning vs. new customers, and campaign performance.
  + Empowers business owners to make data-driven marketing and operational decisions.
* **Seamless Onboarding:**
  + Quick registration through the app or Bendigo Bank website.
  + Digital ID verification and instant account linking.
* **24/7 Dedicated Support:**
  + Access to live chat, in-app helpdesk, and Bendigo’s community banking network for personalised assistance.
* **Deep Ecosystem Integration:**
  + Syncs with Bendigo Bank’s accounting and business loan products.
  + Potential API access for integration with third-party inventory, CRM, or invoicing systems.
* **High Security Standards:**
  + Complies with PCI-DSS, uses tokenisation, biometric login, and two-factor authentication to ensure safe transactions.
  + Real-time fraud monitoring and alerts.

**Strategic Benefits to Business Owners:**

* Reduces operational costs while modernising payment infrastructure.
* Enhances customer loyalty and repeat purchase rates through targeted incentives.
* Provides clarity on sales and customer trends without the need for expensive POS software.
* Builds a foundation for future digital transformation through data insights and integrations.
* Strengthens brand trust by leveraging the Bendigo Bank name known for community engagement and customer care.

This contactless payment app is more than a transaction tool it is a digital enabler that brings modern retail capabilities into the hands of small businesses, allowing them to compete more effectively in a post-COVID, mobile-first economy.

**4. Target Market**  
The primary target market includes small business owners with 1–20 employees, particularly in the retail, hospitality, and personal services sectors (e.g., salons, cafés, independent retailers).

**Geographic Segmentation:**  
Urban and regional Australia, with an emphasis on rural and semi-urban communities where mainstream POS solutions are either unavailable or underutilised.

**Psychographic Segmentation:**  
This audience is tech-curious but often cost-sensitive. They value efficiency and long-term customer relationships, preferring solutions that enhance loyalty and ease of use over complex tech integrations.

**Behavioural Segmentation:**  
These businesses need straightforward payment systems and appreciate repeat business. They are more likely to adopt technology if it directly drives revenue, improves customer retention, and comes with responsive local support.

**Customer Persona:**  
Sophie owns a boutique hair salon in Ballarat. She relies heavily on repeat customers and wants to offer loyalty points or discounts to returning clients. Sophie isn’t tech-savvy, but she prefers tools with responsive support and local credibility. She’s a Bendigo Bank client and trusts the brand to help digitise her payments without extra costs or complexity.

This customer profile represents a large segment of Australia’s small business landscape—where support, affordability, and simplicity are top priorities.

**5. Pricing Strategy**  
Bendigo Bank will implement a **penetration pricing strategy** to encourage rapid onboarding. Transaction fees will be set lower than those of competitors (e.g., 1.3% vs. 1.9%) during the first year of launch.

New users will receive **three months free access** to the loyalty rewards module, allowing them to trial customer retention tools without financial risk.

**Bundling Discounts:**  
Existing Bendigo business account holders will receive preferential transaction rates and free access to customer analytics features during the first 6 months.

**Long-term pricing** will include:

* A flat transaction fee for simplicity
* Optional premium plans offering advanced insights, priority support, and multi-location access

**Justification:**  
This pricing model encourages adoption, reduces initial friction for hesitant business owners, and builds loyalty through added value for existing customers. Predictable pricing also resonates with small businesses managing tight cash flows.

**6. Positioning Strategy**  
**Positioning Statement:**  
For small business owners who value simplicity and customer loyalty, Bendigo Bank’s Contactless App provides a fast, trusted, and rewarding way to accept digital payments—with the personal touch only a community bank can offer.

The product is positioned at the intersection of **value**, **trust**, and **technology**. While competitors focus on sleek technology and scale, Bendigo Bank offers a relationship-driven alternative rooted in local support and real business needs.

Unlike major banks or global fintech providers, Bendigo’s app focuses on three pillars:

1. **Simplicity**: No need for new hardware, easy onboarding, transparent pricing.
2. **Support**: Access to real people via local branches and dedicated onboarding teams.
3. **Rewards**: Integrated loyalty tools to grow customer retention and value.

This positions the product not just as a payment tool, but as a business partner that simplifies digital transformation for small enterprises.

**7. SWOT Analysis**

Bendigo Bank’s unique positioning enables it to address digital gaps in regional markets. However, success will depend on proactive education, cybersecurity assurance, and marketing to overcome fintech adoption inertia.

| **Strengths** |
| --- |
| * Strong community trust and local reach |
| * Seamless, hardware-free solution |
| * Integrated loyalty program |
| **Weaknesses** |
| * New entrant in the fintech space |
| * May lack some POS features |
| **Opportunities** |
| * Post-COVID digital shift |
| * High SME demand in underserved regions |
| * Loyalty integration gap in current offerings |
| **Threats** |
| * Dominance of global players like Square |
| * Resistance to tech adoption in traditional industries |
| * Concerns over cybersecurity and data privacy |

**8. Marketing Strategy**

**Product:**  
The app is feature-rich yet user-friendly. It provides:

* Contactless payments with no extra hardware
* Customisable in-app loyalty programs
* Real-time customer analytics
* 24/7 support and easy-to-follow tutorials

**Price:**  
Pricing is competitive and transparent:

* Lower introductory transaction fees
* Free loyalty feature for 3 months
* Bundled discounts for existing customers

**Place (Distribution):**  
The app will be available via:

* Google Play and Apple App Store
* In-branch onboarding support
* Online business portal with video tutorials
* Outreach via Bendigo Bank’s business development officers

**Promotion:**

**Digital Campaigns:**

* Targeted ads on Facebook, Google, and LinkedIn aimed at small business demographics
* Case studies, testimonials, and influencer collaborations

**Community Marketing:**

* In-branch promotions
* Sponsorship of local business events
* Educational webinars (e.g., “Go Contactless & Grow Repeat Business”)

**Partnerships:**

* Engagement with chambers of commerce, local councils, and industry groups
* Referral programs via regional associations

**Content Marketing:**

* Regular blog posts on small business tips
* Instructional videos and success stories
* Email newsletters targeting SMEs in Bendigo Bank’s database

This multi-channel strategy ensures high reach while reinforcing the community-centric message that differentiates Bendigo Bank from mainstream competitors.

**9. Budget**

|  |  |
| --- | --- |
| Activity | Estimated Cost (AUD) |
| Digital advertising and SEO | $100,000 |
| Content creation (videos, blogs) | $20,000 |
| Webinars and community events | $30,000 |
| In-branch promotional material and staff training | $15,000 |
| Staff incentives and outreach programs | $15,000 |
| Total | **$180,000** |

This budget strikes a balance between digital scale and local presence. With existing infrastructure like bank branches and relationship managers, much of the outreach can be built on established trust, reducing costs compared to external marketing channels.

**10. Conclusion & Recommendation**

Bendigo Bank’s Contactless Payment App is a timely innovation that meets the evolving needs of Australia’s small business ecosystem. As digital transformation accelerates—particularly in the wake of COVID-19—there is a clear and growing demand for simple, secure, and integrated payment solutions that do more than just process transactions. This app does exactly that by seamlessly combining fast contactless payments, in-app loyalty rewards, and actionable business analytics into one mobile-first platform.

The solution builds upon Bendigo Bank’s core strengths—community presence, deep-rooted customer trust, and personalised service—while bridging the technological gaps often faced by SMEs in regional and underserved areas. By eliminating the need for expensive hardware and offering transparent, low-cost pricing, it lowers barriers to entry for businesses previously hesitant to adopt POS solutions. Moreover, the built-in loyalty and data tools offer clear competitive advantages for customer retention and strategic decision-making.

This marketing plan outlines a strategic and cost-effective approach to launch, with a strong emphasis on digital outreach, community partnerships, and grassroots engagement. From influencer case studies to local events and webinars, the campaign is designed to build both awareness and adoption across varied geographic segments.

**Recommendation:**

* Approve the phased rollout strategy to manage risk and optimise performance.
* Allocate the proposed $180,000 marketing budget to support digital and local initiatives.
* Launch pilot programs in targeted urban and regional locations to collect real-world feedback.
* Continuously refine the app based on early adopter insights, ensuring it remains user-friendly and aligned with SME expectations.

By executing this plan, Bendigo Bank can redefine its role—not just as a financial service provider, but as a trusted innovation partner that empowers small businesses to thrive in the digital economy. This initiative will strengthen the bank’s market position, enhance customer loyalty, and generate long-term value across its SME portfolio.