

Market research and product development

Financial Services



Segmentation Analysis

Segment: Millennials

Demographic Trends

- Approximately 1 in 5 Australians are between the ages of 21 and 34 (ABS 2019).
- Australians in that age band earn an average weekly gross income of \$1276 AUD (ABS 2019).
- Australians in that age band have relatively low unemployment rates at around 5% (ABS 2019).
- Millennials have reached the prime working and spending years and will have a huge impact on the economy.

Behavioural and Lifestyle trends

- According to a study by Monash University, millennials have increased the public transport utilisation and reduced reliance on private vehicle.
- Less likely to use credit than their parents and more likely to budget.
- First digital natives - tech literate and social media savvy generation.
- Millennial's top priority is to travel overseas.

Competitive Analysis

Company Name	Company 1	Company 2	Company 3
Core Competencies	<ul style="list-style-type: none"> Has built a strong distribution network and integrated with many retail stores. Less infrastructure required than traditional credit providers. 	<ul style="list-style-type: none"> Branding, styling and marketing is towards millennials. A neo-bank where it is completely digital with no physical footprint. 	<ul style="list-style-type: none"> Has an established network of branches allowing face to face interaction. Has a strong existing customer base. Currently remains a market leader in financial services.
Main product/service	Buy now Pay Later	U2 cash account	Daily Rewards Credit Card
Product Description	Buy now pay later is a digital service that allows the outright purchasing over a product and fortnightly instalments which are interest free.	A fee-free cash account which is designed to allow easy organisation of money and simplification of life.	A credit card which allows you to earn points that can be redeemed for travel and shopping perks.
Key Features	<ul style="list-style-type: none"> Payoff purchases overtime with no interest. Consumers can immediately use the product. Late fees are incurred instead of interest charges. 	<ul style="list-style-type: none"> Fee free (includes overseas purchases). Focussed on budgeting and saving with spending insights. Quick and easy sign-up process. 	<ul style="list-style-type: none"> Has a high amount of perks including travelling and shopping. Includes complimentary insurance. Has annual and interest fees.

Business Recommendation

Name	Propel Account
Description	The Propel Account is made to help millennials enhance their everyday living and budgeting as well as being there with credit .
Key Features <i>What are the key features of your recommendation?</i>	<ul style="list-style-type: none">• Completely digital offering.• Offers spending insights and saving tips for users to better achieve their saving goals in the long run.• When users require credit or short-term lending for big ticket purchases such as travel, renovations and other big life events, the propel account will seamlessly offer upfront payment in return for instalment payments by the user.
Why your business recommendation is a good solution?	<ul style="list-style-type: none">• Bridging the divide between credit products and budgeting products.• Offering short-term credit solution and long-term budgeting options.