Currently 2,445 people have loans with the bank and the average of their income is 114,428 Euros. Made assumption that money is in Euros since we are dealing with European countries mostly.

With the goal of cross-selling in mind we recommend people with loans to invest in pensions due to many different factors:

1. **Additional Income Source:** For individuals with existing loans, a pension can serve as an additional source of income. This extra income can be used to supplement their existing funds, making it easier to manage loan repayments and cover other expenses.
2. **Loan Repayment Support:** If a person is facing financial difficulties in repaying their loans, having a pension can provide a safety net. The pension income can be used to support loan repayments during times of financial strain, reducing the risk of defaulting on the loans.
3. **Debt Consolidation:** Some people may have multiple loans with varying interest rates and repayment terms. A pension can enable them to consider debt consolidation, which involves combining multiple loans into a single loan with more favorable terms. This can lead to lower monthly payments and a more manageable debt structure.
4. **Loan Refinancing:** With a pension, individuals may be in a better position to refinance their existing loans. Refinancing involves obtaining a new loan with better terms to replace an existing one. It can result in lower interest rates, reduced monthly payments, or extended repayment periods, all of which can ease financial burdens.
5. **Financial Security:** For those without pensions, relying solely on earned income can be risky, especially during retirement or unexpected life events. Having a pension provides financial security and stability, ensuring a steady income stream even after retirement.
6. **Improved Creditworthiness:** If a person adds pension income to their overall financial profile, it can positively impact their creditworthiness. Lenders may view applicants with a pension as more financially stable and reliable, which could lead to better loan offers and terms.

Each person’s financial situation is unique so be sure to provide them accurate financial advice for them to make informed choices regarding their loans and/or pensions.

**Exploratory Data Analysis**

Created three different data frames to analyze how cross-selling pensions will benefit customers with loans.

In the has\_loans data frame over 2,000 people are active customers with the bank and a very low number are inactive which makes the goal attainable of cross-selling pensions to this group of borrowers.

A blue rectangular bar graph

Description automatically generated

Visualized a scatter plot to show the relation amongst age and income for people with loans. A graph of blue dots

Description automatically generated

From the data frame no\_loans\_with\_pensions, the bank has 7,998 people with pensions and no loans so they are already legitimized in selling pensions and bringing success to their customers which should be something borrowers would want. People with pensions and no loans have an average income of 180,432 Euros, which is significantly higher than the people with loans. This just further backs that people with loans will be able flourish financially.

A graph of a number of people with pensioners

Description automatically generated

A graph of blue dots

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From the loans\_with\_pensions data frame it is shown that 53 people are currently under the bank’s wing. This is good because it shows that there is a potential market to increase cross-selling numbers because there is a need for it and it is already in place. The average income of this group is at 157,400 Euros which is still better than the group with loans and no pensions. Clearly this group of people are experiencing a sense of financial gain and many more customers can be added to that list as well.

A blue square with text

Description automatically generated

A graph with blue dots

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**Result: Cross-sell Pensions to Loan Borrowers**

**Active Members:** As shown in the analysis financial gain within income is shown from people having pensions. Since these customers already have strong customer relations with the company it will be probable to convince these customers to get a pension once shown the research of most people having a higher income with a pension in their portfolio.

**Inactive Members:** Include Welcome Back Campaigns: Provide exclusive rates on financing current loans and include Pension plans with their benefits tied into loans.