

PRESENTATION

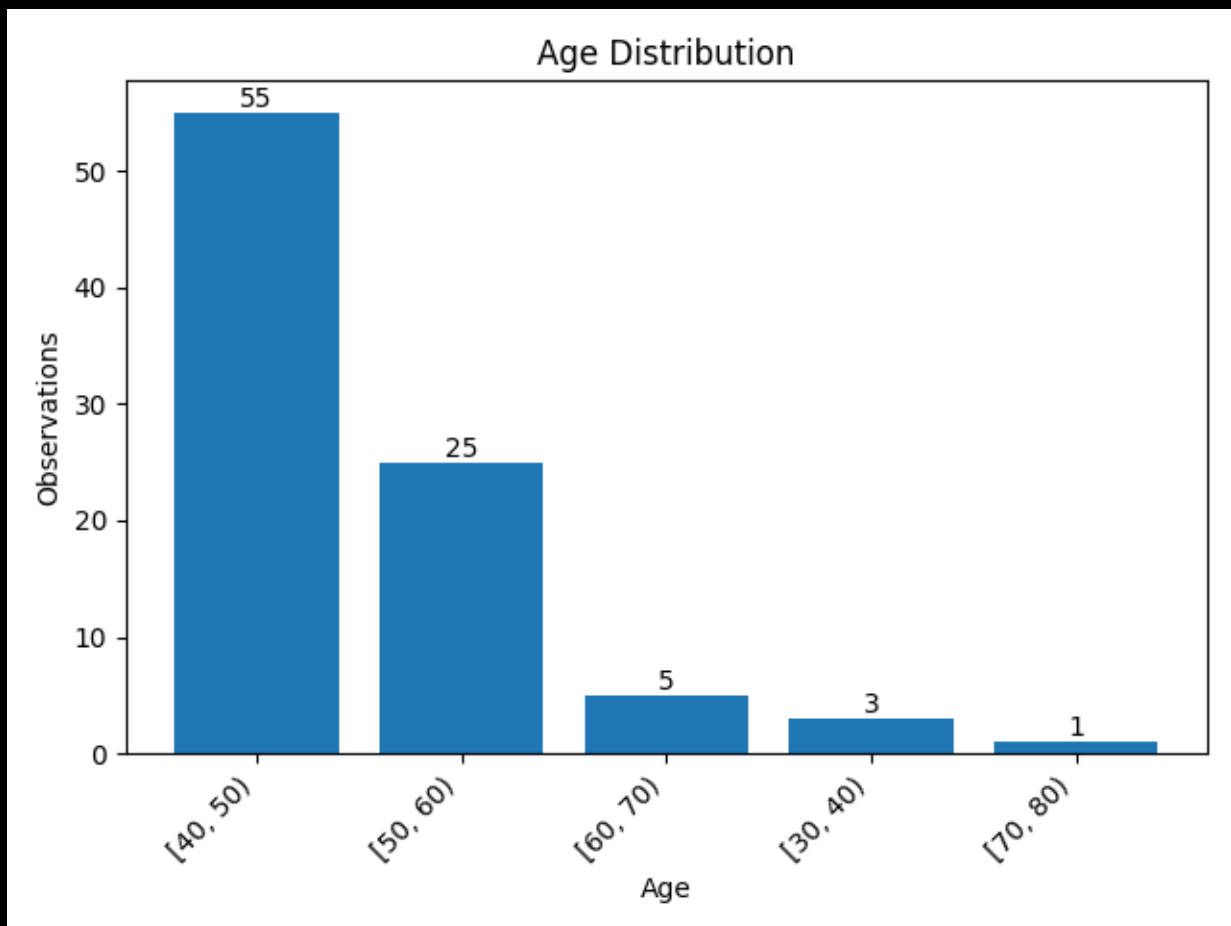
SAVING ACCOUNT

There are a total of 1396 savings accounts and 89 customers that currently hold at least 1 saving account with all of them being primary customers.

The following attributes have been used to tailor our recommendation to boost cross-selling of banking products.

1. Age:

From the age distribution we identified that the vast majority of customers with a saving account are aged between 40 and 50. Additionally, all customers are older than 30.



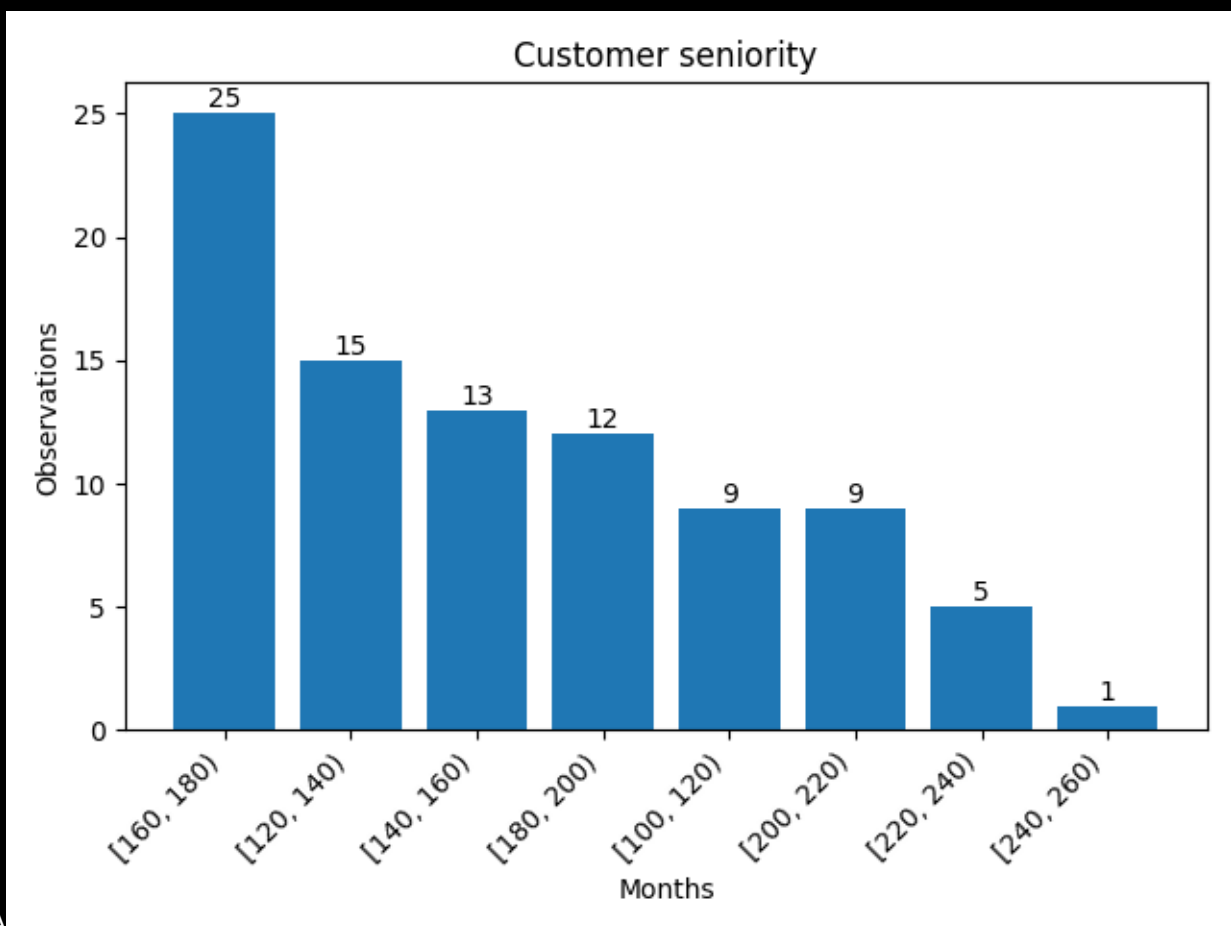
Due to this fact we recommend selling Pension plans and retirement-focused products to help boost cross-selling.

2. Customer seniority:

As the data suggests all customer with a saving account are loyal to the bank. The shortest tenures are greater than 100 months. Therefore, there is a real need to push saving accounts with other products because the data is showing there aren't new customers who have bought a saving account.

For customers with a shorter tenure we could offer Short-term Deposits deals to encourage them to save more in a secure manner.

Medium-term and Long-term Deposits can be suggested to customers with longer tenure, like all the current customers, who may have accumulated more savings.

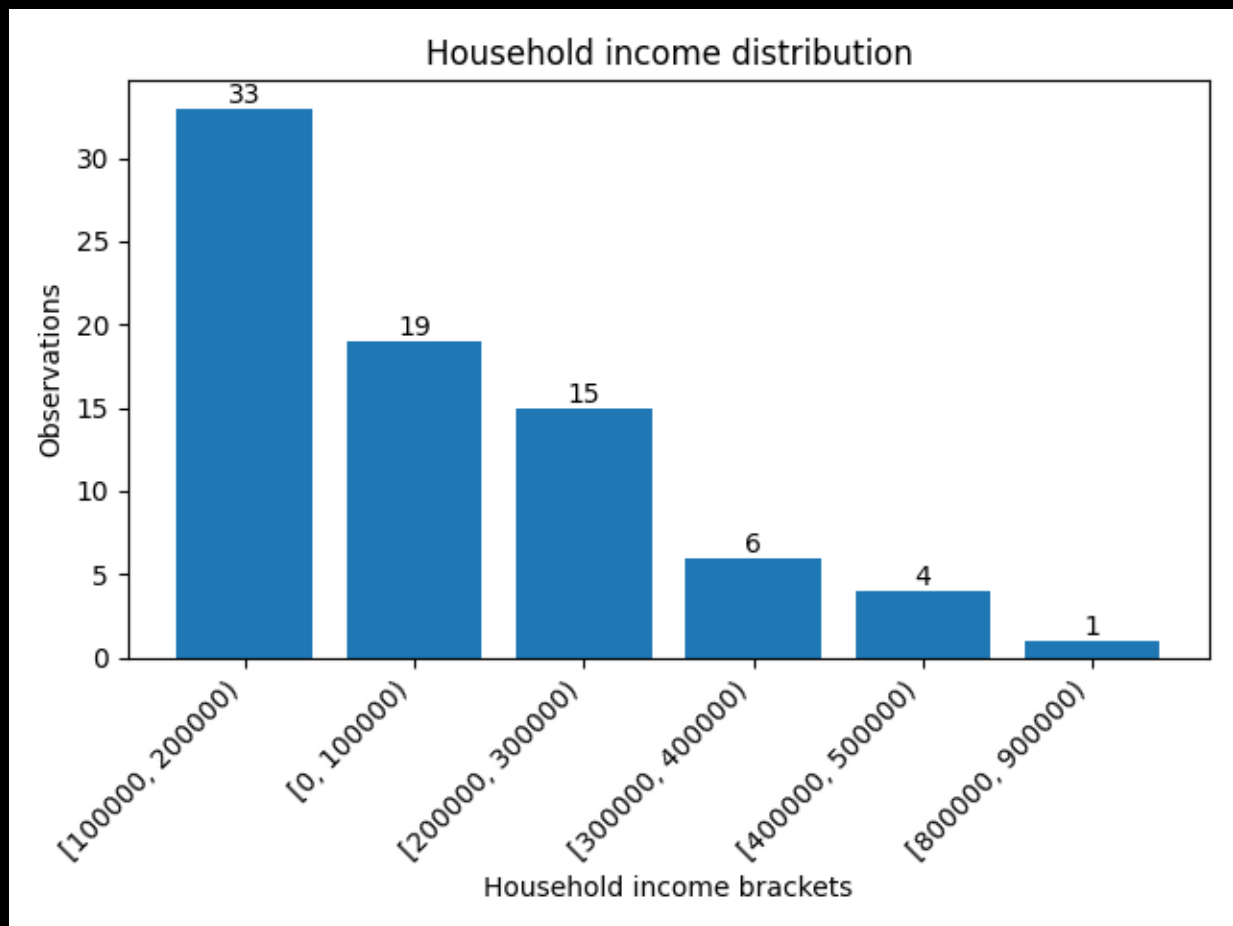


A

3. Income level

The majority of customers have a household income between 0 and 300k. Therefore, we decided to target the richer households with an income greater than 300k to try and sell to them investing services and products.

Clients with higher gross household incomes (>300k), might be interested in investment-related products like Funds, Securities, or Mortgage options to grow their wealth further. As a result, we decided that cross-selling these products would be beneficial.



4. Customer relation type

Depending on the customer's relation type at the beginning of the month (active, inactive, former customer, potential), we tailored the cross-selling approach as following:

Active Customers (64):

Credit Card Upgrades:

Offer active customers with good credit histories and regular transactions the opportunity to upgrade their existing Credit Cards to premium cards with additional benefits, such as higher reward points or travel perks.

Personal Loans:

Promote personal loans to active customers who have demonstrated responsible financial behaviour. Highlight the flexibility and competitive interest rates available for various purposes, such as home improvement or education.

Investment Opportunities:

Present investment products like Mutual Funds or Securities to active customers interested in growing their wealth. Conduct a risk assessment to suggest suitable options based on their risk appetite and financial goals.

Inactive Customers (25):

Re-Engagement Offers:

Offer special promotions or incentives, such as higher interest rates on Savings Accounts, to encourage inactive customers to reactivate their accounts.

Welcome Back Campaigns:

Provide exclusive offers for reactivating customers, such as reduced fees on Current Accounts or Credit Cards for a limited period.

Personalized Recommendations:

Analyse the customer's historical data to offer relevant products they might be interested in, such as Mutual Funds aligned with their previous investment preferences.

Former Customers (0):

Win-Back Promotions:

Provide compelling offers, such as cashback or waived fees on new products like Credit Cards or Loans, to entice former customers to return to the bank.

Improved Terms:

Offer improved rates on Long-term Deposits or Mortgage options to demonstrate the benefits of re-joining the bank.

Financial Health Check:

Conduct a personalized financial review and present tailored solutions, such as Savings Plans or Pension options, addressing their financial goals.

Potential Customers (0):

New Customer Welcome Packages:

Design exclusive packages for new customers, combining products like Savings Accounts, Current Accounts, and Credit Cards with attractive perks or rewards.

Entry-Level Investment Products:

Introduce easy-to-understand Funds or Securities for potential customers with limited investment experience.

Digital Banking Services:

Highlight the convenience of e-accounts and digital channels to appeal to tech-savvy potential customers.

5. Foreigner index:

For foreigners, e-accounts or digital banking services can be emphasized to provide convenient access to their savings and may also benefit from assistance with international transactions or investment options.

There are a total of 5 foreigners holding a saving account. All clients with a savings account are residents in the country where the bank is located.

6. Employee index and Spouse index:

Because no active employee has a saving account we thought about the following ways to boost cross-selling which you can find under Active Employees.

The rest are all ways of increasing cross-selling for different categories.

Furthermore, no clients that are employees are also spouse of an employee.

There is a total of 17 spouses in the data set and for them we listed some ideas under Spouse of an Employee to boost cross-selling.

Active Employees (A):

Cross-sell Payroll Accounts:

Encourage active employees to link their salary directly to a Payroll Account, making it convenient for them to receive their wages and manage their finances seamlessly.

Mortgage and Home Account:

Offer special mortgage rates or exclusive benefits on Home Accounts for employees who are looking to purchase a property. Highlighting the advantages of obtaining a mortgage through the bank can entice them to explore this option.

Ex-Employees (B):

Pension Plans:

For ex-employees, promote Pension Plans to assist them in planning for their retirement and ensuring financial security.

Investment Funds:

Offer investment options like Funds with varying risk profiles to help grow their savings over time.

Filial (F):

Special Loan Offers:

Create exclusive loan packages for employees from the filial, such as low-interest Personal Loans or Home Improvement Loans.

Investment Consultation:

Provide investment advice and financial planning services to filial employees, catering to their long-term financial goals.

Passive (P):

Reactivation Offers:

Reach out to passive employees with special offers to re-engage them with the bank, such as high-interest Short-term Deposits or Credit Card promotions.

Pension Plans:

Encourage passive employees to invest in Pension Plans to secure their financial future.

Not Employee (N):

Savings and E-Account:

Offer attractive interest rates on Savings Accounts and promote the use of e-Accounts to increase customer engagement and retention.

Credit Card or Personal Loans:

Introduce Credit Cards or Personal Loans with competitive terms to meet the financial needs of non-employees.

Spouse of an Employee:

Joint Savings Account:

Suggest setting up Joint Savings Accounts for the spouse of an employee to encourage saving together and to facilitate shared expenses and financial planning.

Personal Loans:

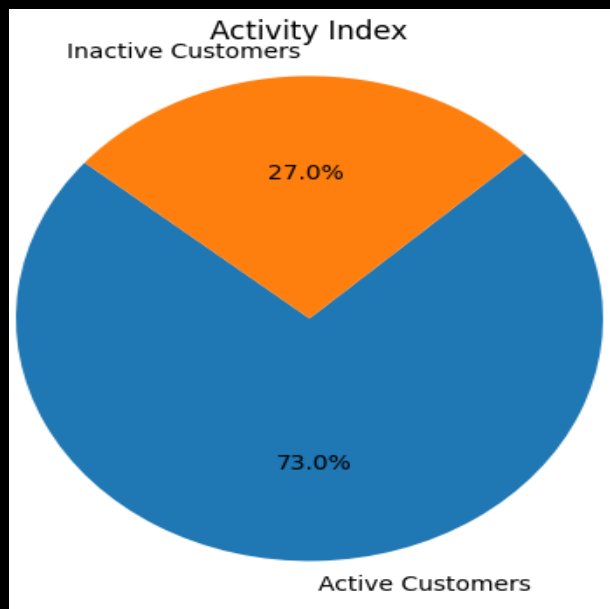
Offer competitive rates on Personal Loans for the spouse to fulfil their personal needs or aspirations.

Credit Card with Perks:

Offer Credit Cards with attractive rewards or cashback for the spouse of an employee, providing additional benefits that align with their lifestyle.

7. Activity Index

There are currently 65 active customers and 24 inactive customers.



Active Customers (ind actividad cliente = 1):

Cross-selling Investment Products: Active customers may be more receptive to investment opportunities such as Funds, Securities, and Long-term Deposits. We should highlight the potential for higher returns and long-term wealth growth to appeal to their financial aspirations.

Premium Credit Cards: Offer premium credit card options with exclusive benefits, rewards, and travel perks. These customers are likely to take advantage of such offerings and appreciate the added value.

Upgrade Opportunities: Consider offering account upgrade options, such as moving from a regular savings account to a particular Plus Account, which offers additional features and benefits.

Inactive Customers (ind actividad cliente = 0):

Savings and Short-term Deposits:

Emphasize the simplicity and security of savings accounts and short-term deposits to encourage inactive customers to start saving.

Credit Card and Loan Offers:

Promote easy-to-use credit card options and simple loan application processes. Highlight the benefits of these products, such as building credit history or addressing immediate financial needs.

Reactivation Incentives:

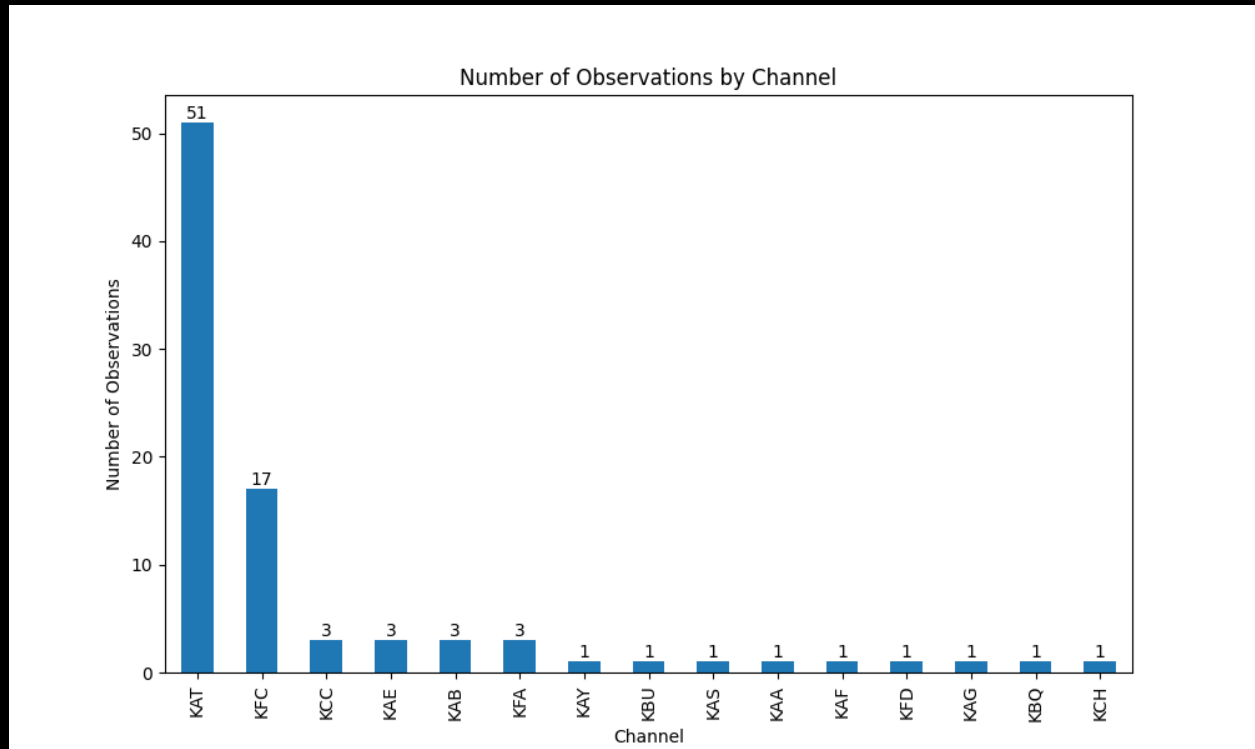
Create targeted marketing campaigns with special offers and promotions to re-engage inactive customers. These could include high-interest savings accounts or limited-time discounts on certain products.

Digital Banking Features:

Emphasize the convenience of e-Accounts and digital banking services, making it easier for inactive customers to access and manage their accounts online.

8. Channels

Out of the 89 customers with a savings account 51 of them came to join through KAT and another 17 came through KFC adding up to 76% of the grand total. Therefore, we strongly suggest that more effort should be placed on those 2 channels.



9. Segmentation

Out of the 89 customers with a savings account 80 fall under the Individual segmentation and the rest of 9 fall under the VIP segmentation. We suggest approaching these groups differently in order to boost cross-selling. Here is what we think might be worth trying:

01 - VIP:

Personalized Wealth Management:

Provide dedicated wealth advisors to create customized investment portfolios, including Funds, Securities, and long-term deposits, tailored to their financial objectives and risk tolerance.

Private Banking Services:

Offer exclusive financial services, such as personalized credit solutions, access to exclusive investment opportunities, and priority customer support.

High-Value Mortgage Solutions:

Present premium mortgage options for luxury properties with preferential interest rates and flexible repayment terms.

02 - Individuals:

Medium-Term and Long-Term Deposits: Encourage long-term saving habits by promoting medium-term and long-term deposit options with competitive interest rates.

Credit Card Rewards: Offer credit cards with cashback rewards or loyalty points for everyday spending, motivating customers to use their card while maintaining savings.

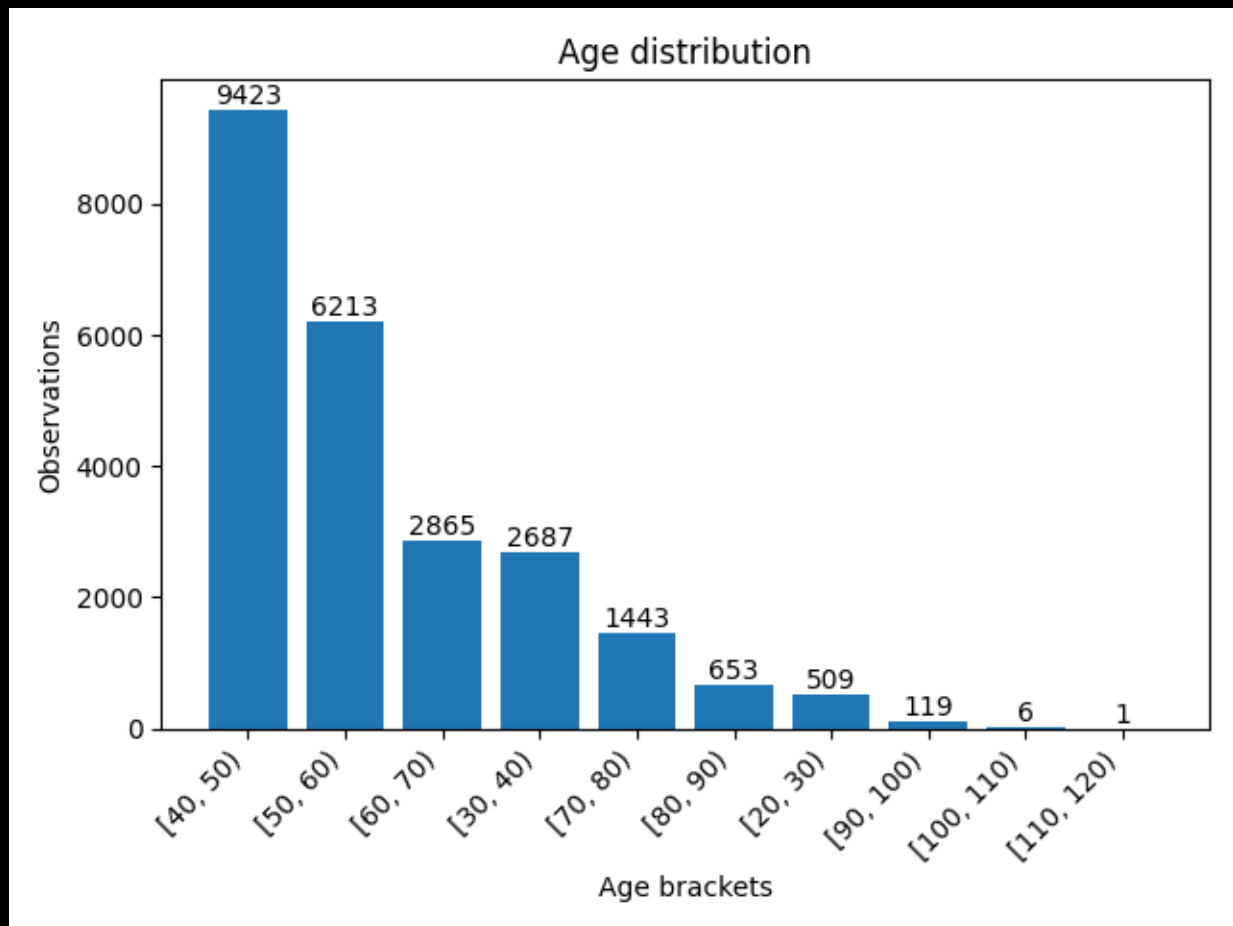
Personal Loans: Provide competitive interest rates on personal loans for major life events or planned expenses.

SECURITIES

There are 23919 customers with securities. The following attributes have been used to tailor our recommendation to boost cross-selling of banking products.

1. Age

From the age distribution we can see that customers who own securities are relatively old with the biggest brackets being 40-50, 50-60, 60-70. We based our product selection aimed at increasing cross-selling on 4 group categories Young adults, Middle-aged adults, Pre-retirees, Retirees.



Age < 18:

Junior Account: For young customers, offering a Junior Account is suitable, as it provides a platform for them to learn about banking and start saving early.

Age 18-30:

Credit Card: Young adults in this age group may benefit from a Credit Card, providing them with financial flexibility and the opportunity to build a credit history.

Age 31-45:

Medium-term Deposits: Customers in this age range might be interested in Medium-term Deposits as a way to grow their savings with a moderate level of commitment.

Age 46-65:

Mortgage: Middle-aged customers could be interested in Mortgage options, especially if they are planning to purchase a home or invest in real estate.

Age 66+:

Pensions: For retirees or older customers, promoting Pensions can be relevant, as it helps secure their financial future during retirement.

2. Employee Index:

Employee Index = A (active employee):

Payroll Account: Encourage active employees to have their salaries deposited into a Payroll Account, which can lead to a stronger relationship with the bank and potentially more cross-selling opportunities in the future.

Employee Index = B (ex-employee):

Credit Card: Offer credit card products to ex-employees to maintain a connection with them even after their employment has ended. Credit cards can cater to their financial needs and provide a way to earn rewards or build credit.

Employee Index = F (filial):

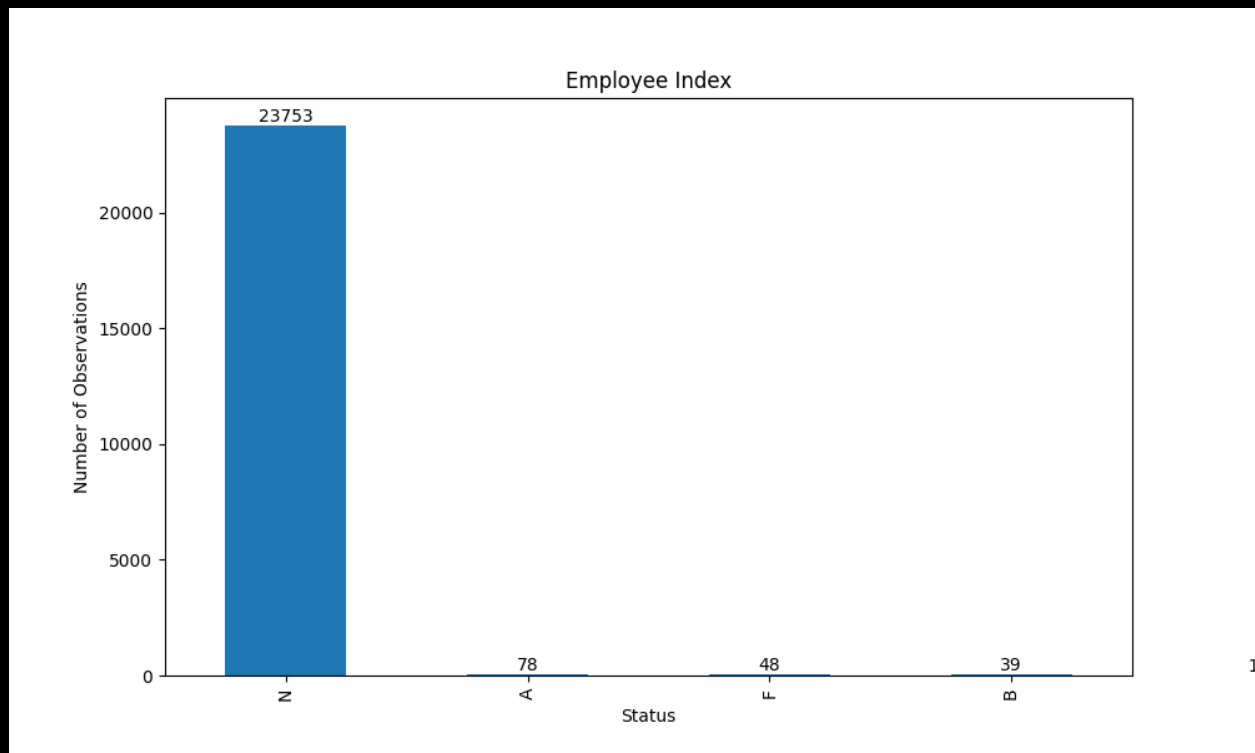
Pensions: Cross-sell pension plans to filial employees to help them plan for their retirement and secure their financial future.

Employee Index = N (not an employee):

Loans: Promote various loan options to non-employee customers who have securities, as they may have investment goals that could be supported through financing.

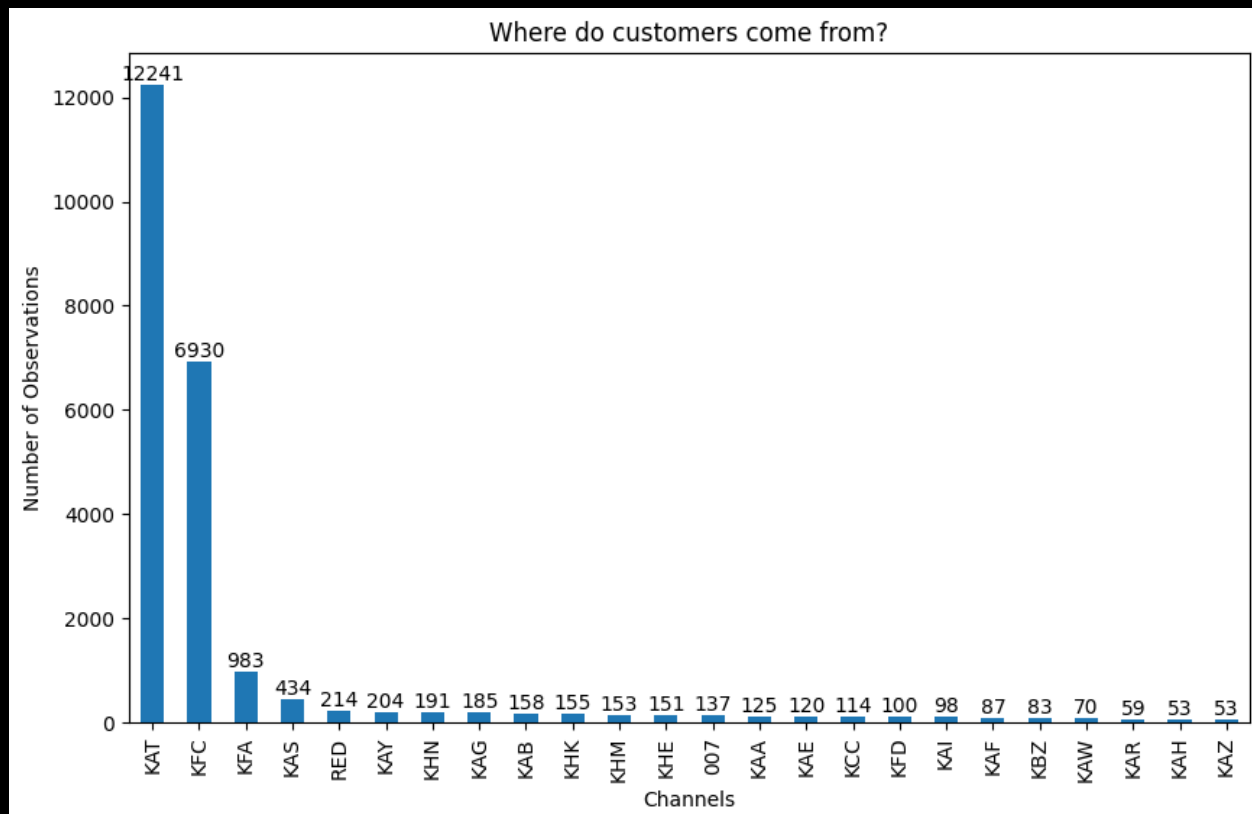
Employee Index = P (passive employee):

Savings Account: Encourage passive employees to open a Savings Account to start building their savings and engage them more actively with the bank's products.



3. Channels:

Out of the 23919 customers with a securities 12241 of them came to join through KAT and another 6390 came through KFC which is 77.89% of the total. Therefore, we strongly suggest that more effort should be placed on those 2 channels.



Income distribution

The mean gross household income for customers with securities is 174234.

High Gross Income (>300k) :

Mortgage:

For high-income clients, offering mortgage options can be attractive, especially if they are considering investing in real estate or refinancing their current property.

Funds:

High-income customers might be interested in investment opportunities with potentially higher returns. Mutual funds and other investment funds can be appealing to this segment.

Credit Card:

Premium credit cards with exclusive benefits, rewards, and higher credit limits can be targeted to customers with high gross incomes.

Particular Plus Account:

This account offers additional perks and features, making it an appealing option for customers with higher incomes who want a premium banking experience.

Medium Gross Income (100k-300k):

Short-term Deposits:

Encourage these customers to save and earn interest on their surplus funds with short-term deposits.

Personal Loans:

Offer personal loans with competitive interest rates to help them finance personal projects or meet their financial needs.

Current Accounts:

Suggest current accounts to complement their savings and provide easy access to funds for everyday transactions.

Low Gross Income (<100k):

Junior Account:

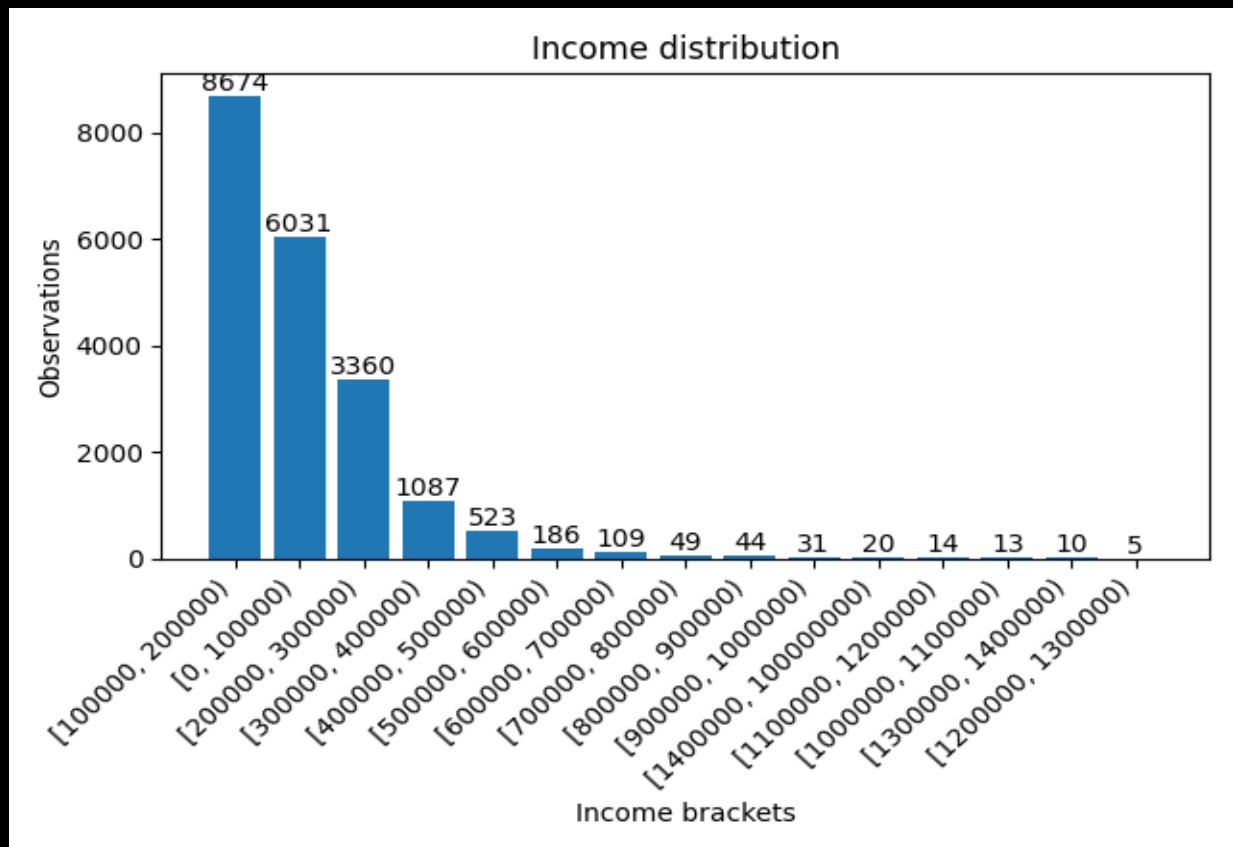
For young customers with lower incomes, a Junior Account could be a great option to start building their savings and financial literacy.

E-Account:

Offer digital banking solutions like e-accounts, which often have lower fees and requirements, making them suitable for students or those just starting their careers.

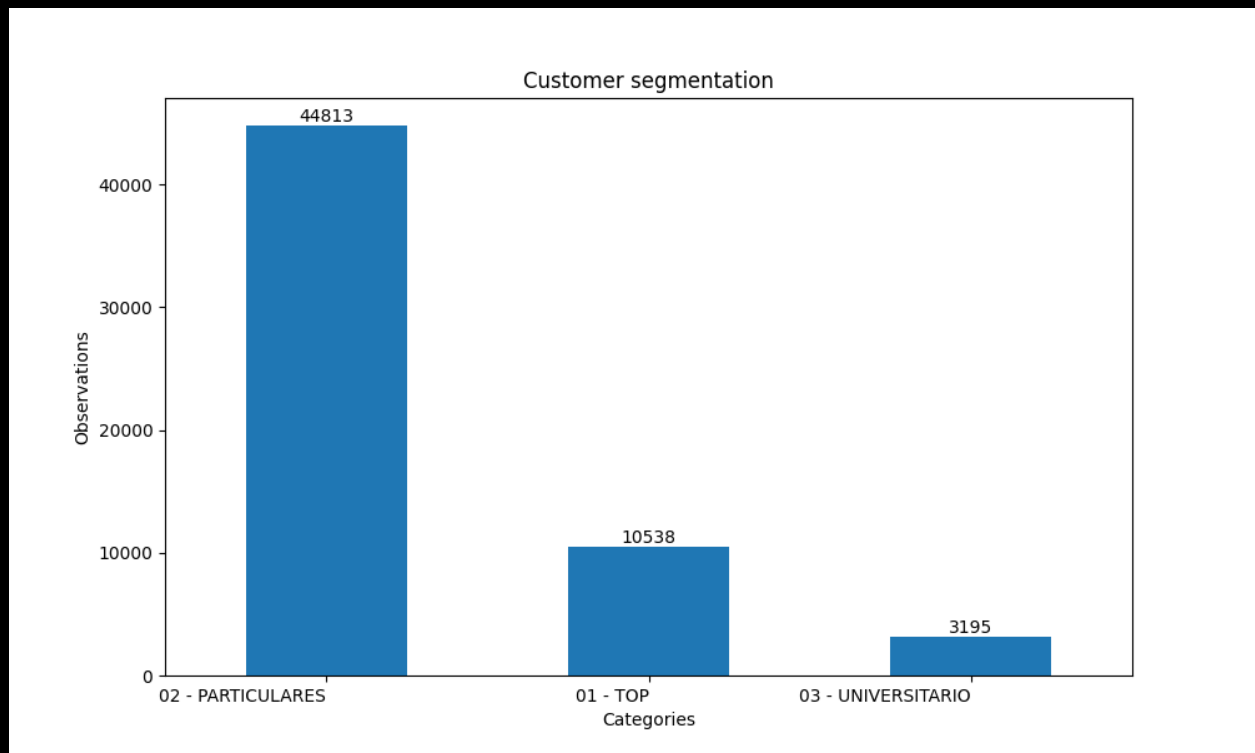
Savings Account:

Emphasize the importance of a standard Savings Account as a secure place to accumulate funds and earn some interest.



Credit card

There are 58590 customers that hold at least one credit card. The following attributes have been used to tailor our recommendation to boost cross-selling of banking products.



Segmentation:

01 - VIP:

Guarantees:

VIP customers might be interested in investment-related products with higher returns and lower risks. Offering guarantees on their investments can be an appealing option for them.

Securities:

VIP clients may have a higher appetite for investment opportunities. You can cross-sell securities such as stocks, bonds, or other financial instruments that align with their risk tolerance and investment goals.

Mortgage:

For VIP customers looking for real estate investments or buying luxury properties, offering mortgage options with exclusive rates can be an attractive proposition.

02 - Individuals:

Savings Account:

If an individual has a credit card but no savings account, it is essential to promote the benefits of having a savings account for managing their finances and earning interest on their savings.

Short-term Deposits:

Individuals who already have a credit card can be encouraged to explore short-term deposits as a safe and easy way to grow their savings.

Loans:

For customers with a credit card and stable financials, offering personal loans with competitive interest rates could meet their immediate financial needs.

03 - College Graduated:

e-account:

College graduates, who are often tech-savvy, may prefer the convenience of digital banking. Cross-sell e-accounts, which offer easy online access and management of their finances.

Junior Account:

For those who have started a family after graduation, a Junior Account can be an attractive option to manage their children's finances and cultivate financial responsibility from an early age.

Pensions:

Encourage college graduates to plan for their future by considering pension options early on. By explaining the benefits of starting early, you can promote long-term financial security.

Customer seniority:

Short-term Deposits:

For customers with a relatively short customer seniority, offering Short-term Deposits can be a suitable option. It allows them to earn higher interest rates on their savings without locking their funds for an extended period.

Medium-term Deposits:

Customers with moderate seniority might find Medium-term Deposits appealing. This product offers higher interest rates than short-term options while providing a reasonable commitment period.

Long-term Deposits:

For clients with longer customer seniority, Long-term Deposits can be an attractive cross-selling option. This product offers even higher interest rates and suits individuals who are committed to saving for an extended period.

Funds:

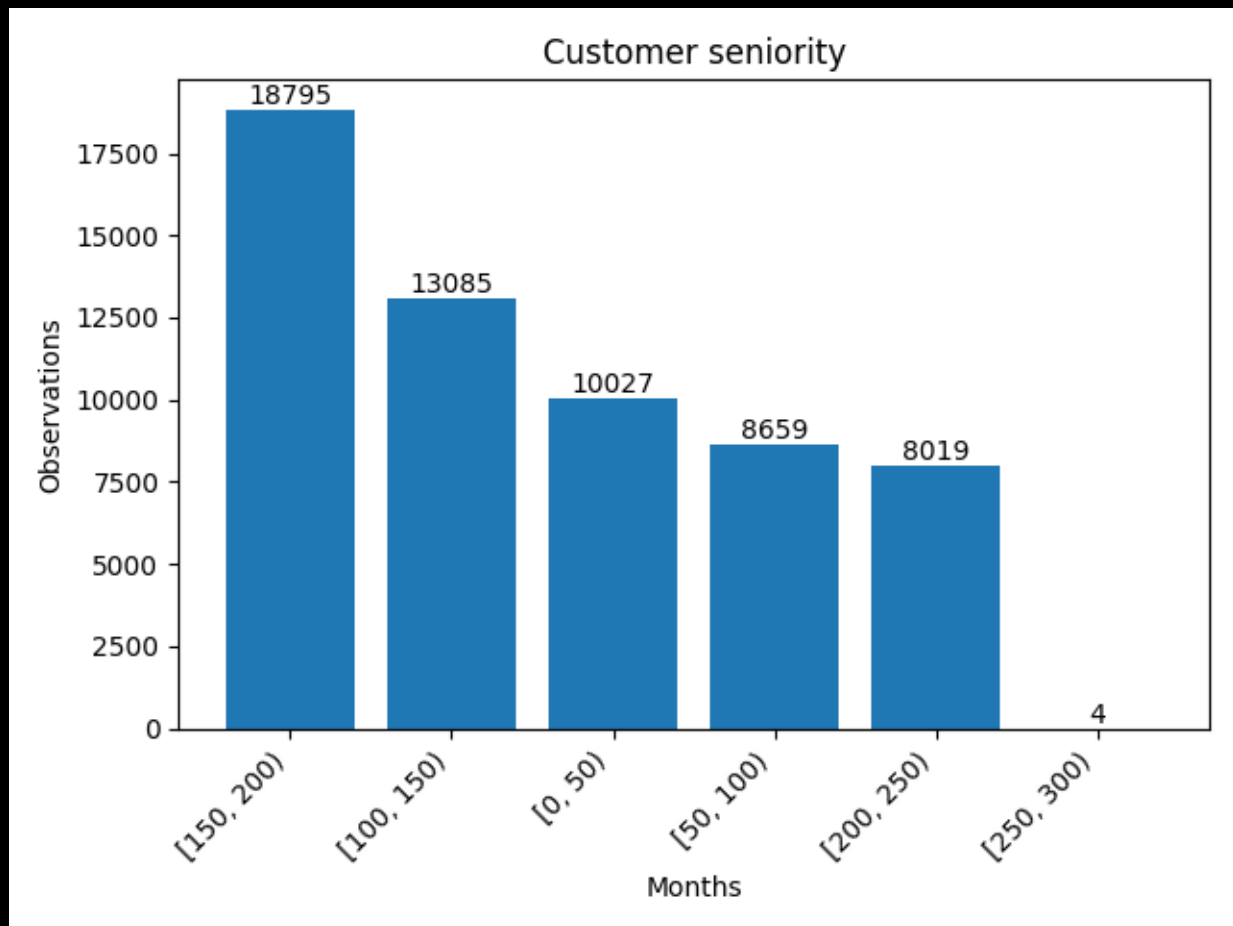
Customers with a decent level of customer seniority may be interested in exploring investment opportunities. Suggesting Funds can offer them a chance to grow their savings through diversified investment portfolios.

Mortgage:

For clients with considerable seniority, promoting Mortgage options can be beneficial. These customers may have more substantial financial stability, making them potential candidates for real estate investments.

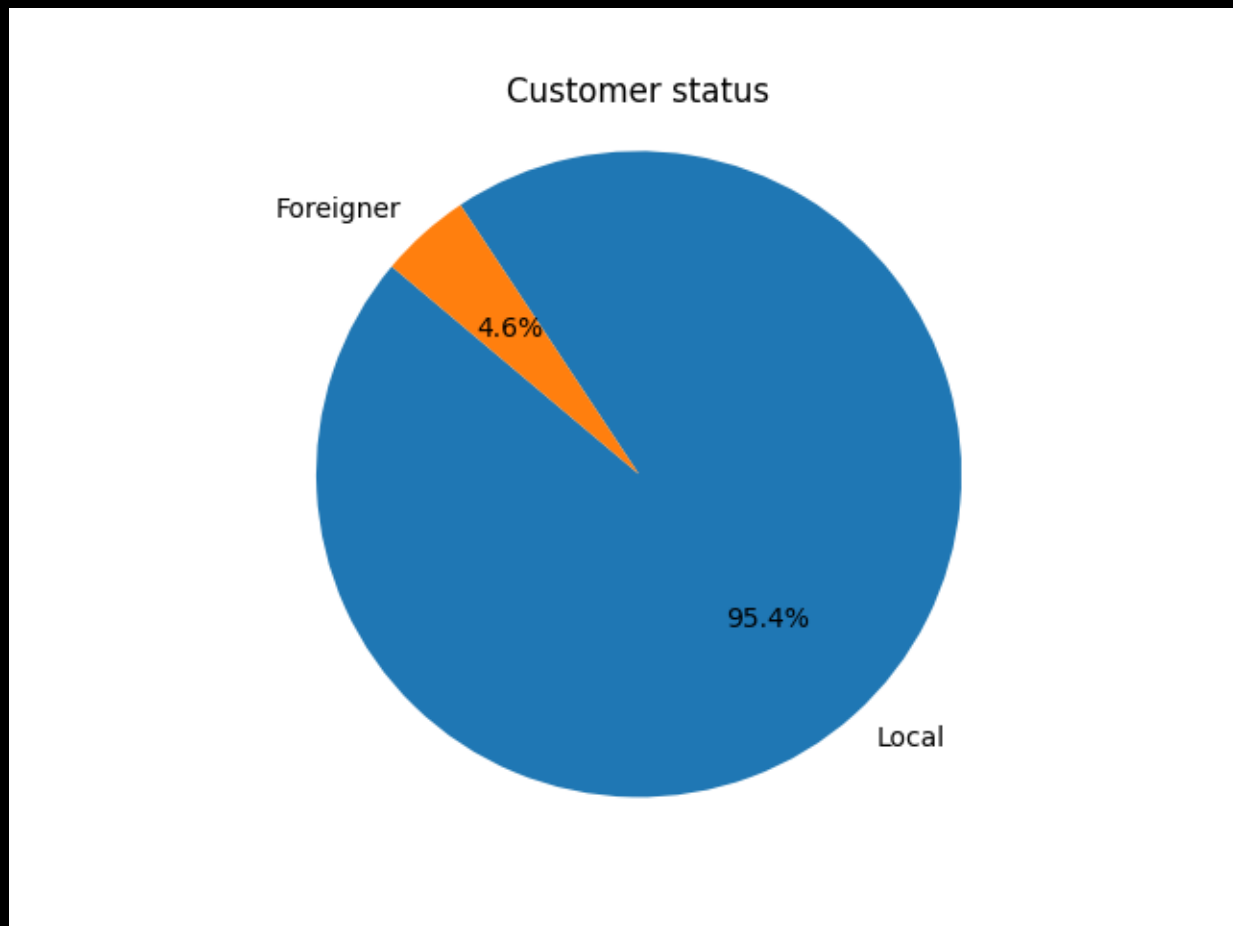
Pensions:

Customers who have been with the bank for an extended period might be interested in securing their retirement. Cross-selling Pensions can help them plan for long-term financial security.



Foreigner Index:

There are 55919 local customers and 2671 foreign customers.



Foreigner Index = S (Yes, customer's birth country is different than the bank country):

E-account:

For foreign customers, an e-account can be an attractive option, as it allows them to manage their finances conveniently from abroad and conduct international transactions easily.

Securities:

Foreign customers may be interested in investment opportunities like securities that provide potential returns while diversifying their portfolio across different markets.

International Banking Services:

Cross-selling specialized international banking services can facilitate seamless cross-border transactions and address specific financial needs for foreign customers.

Foreigner Index = N (No, customer's birth country is the same as the bank country):

Savings Account (to build savings and maintain financial stability)

Short-term, Medium-term, and Long-term Deposits (to earn higher interest rates on surplus funds)

Home Account (to track savings progress for homeownership)

Loans (for various financial needs such as personal, auto, or home loans)

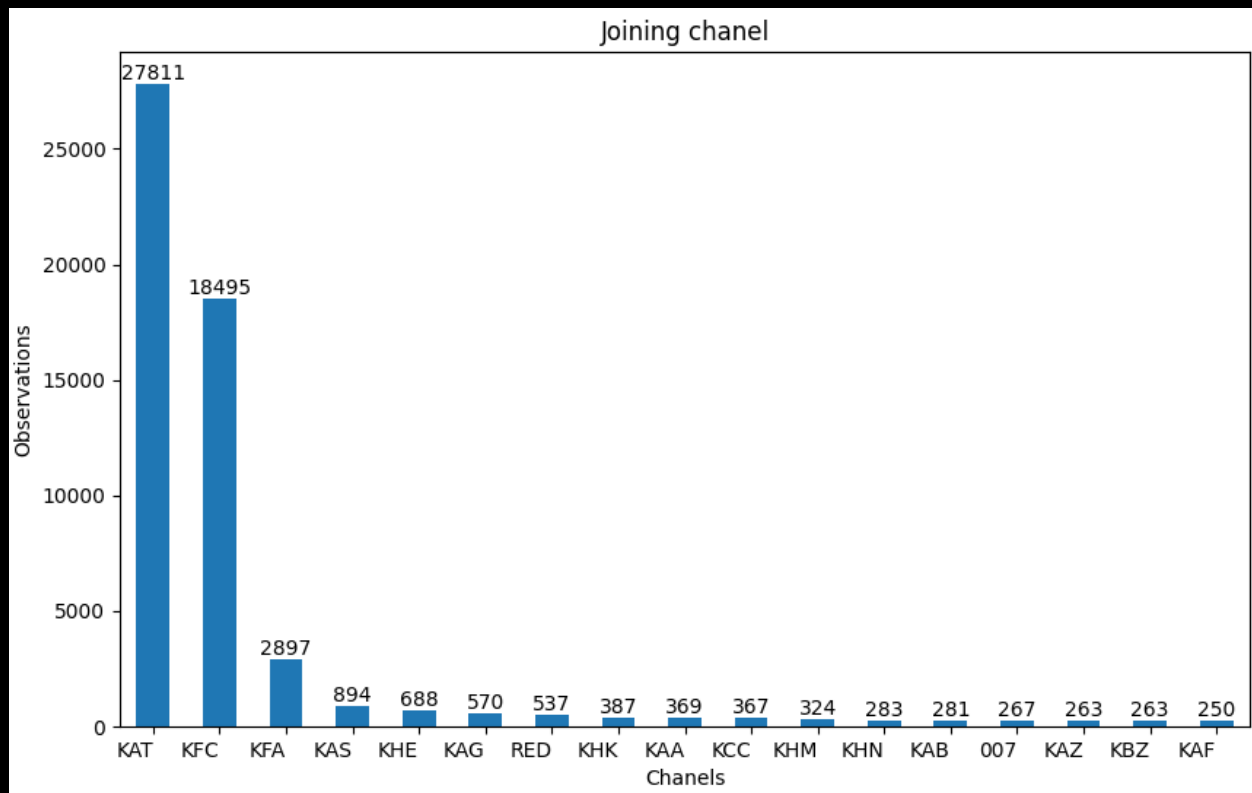
Pensions (to plan for long-term financial security and retirement)

Funds (for investment opportunities and potential growth)

Direct Debit (to simplify bill payments and money management)

Chanel

Out of the 58590 customers with a credit card 27811 of them came to join through KAT and another 18495 came through KFC which sums up to 79.03% of the total number. Therefore, we strongly suggest that more effort should be placed on those 2 channels.



Current accounts

There are 618508 customers holding at least one current account. The following attributes have been used to tailor our recommendation to boost cross-selling of banking products.

Age:

Junior Account:

Targeted at younger customers, typically children and teenagers, to encourage savings and financial education. You can cross-sell this account to young account holders.

Short-term Deposits:

For younger customers who may have short-term financial goals or less risk tolerance, offering short-term deposits can be an attractive way to grow their savings safely.

Medium-term Deposits:

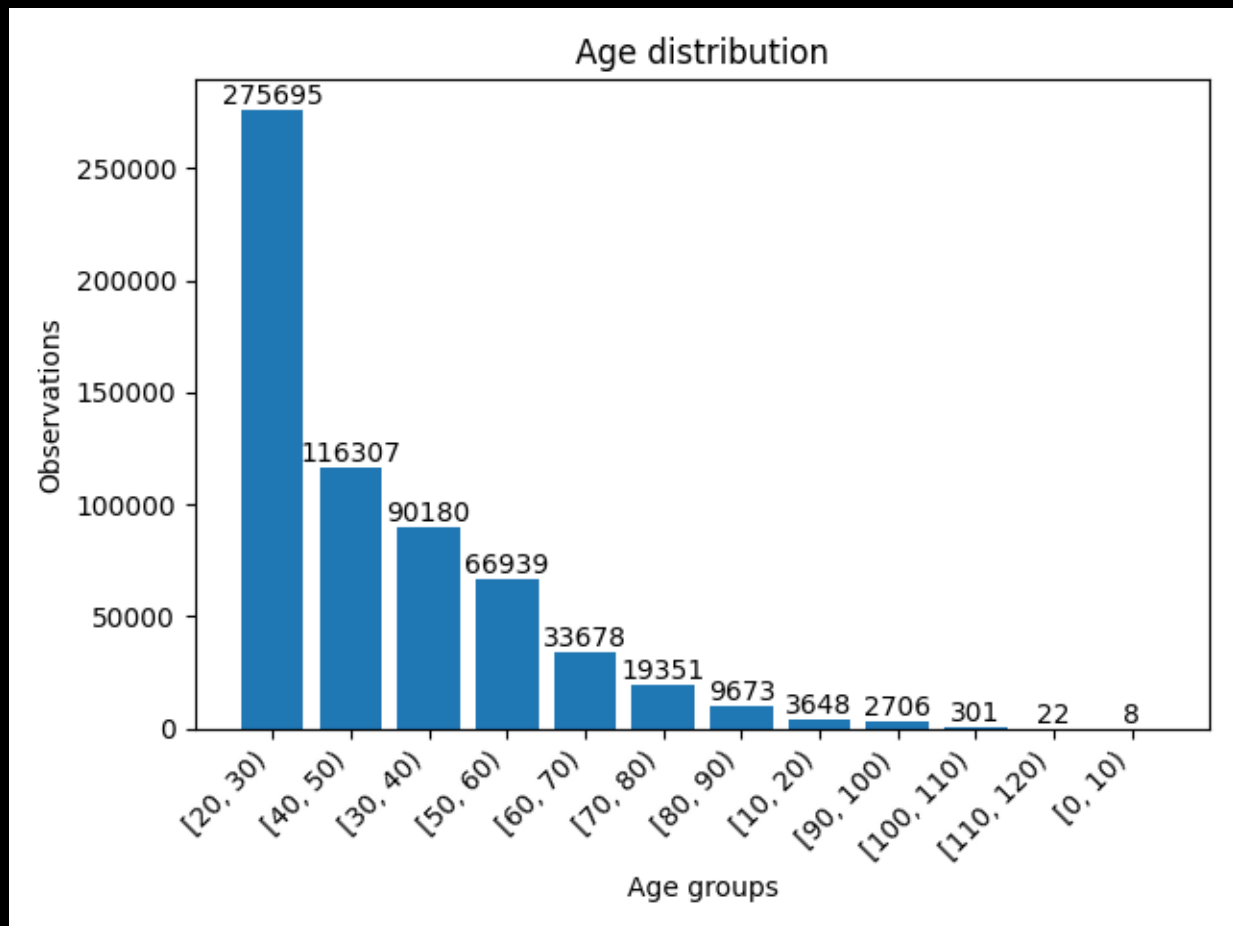
Targeted at middle-aged customers who have more stable financial situations and medium-term financial goals. This product offers higher interest rates than short-term deposits, making it suitable for those looking to grow their savings over a few years.

Long-term Deposits:

Suitable for older customers who are nearing retirement or have long-term financial objectives. Long-term deposits can provide steady returns over an extended period and are ideal for risk-averse individuals.

Pensions:

Pensions are particularly relevant to customers approaching retirement age or those who want to plan for their future financial security. It's a long-term financial product, making it appropriate for older account holders.



Gross Household Income:

Credit Card:

Cross-sell to customers with a higher gross income, as they are likely to have the financial capacity to manage credit responsibly and benefit from the convenience and rewards offered by credit cards.

Medium-term and Long-term Deposits:

Offer to customers with a moderate to high gross income, as they may have surplus funds to invest for a longer duration, earning higher interest rates and growing their savings.

Loans:

Target customers with higher gross incomes who may have a need for financing major expenses, such as home improvements or personal projects. Offer competitive loan options with favorable interest rates.

Funds:

Suggest investment funds to customers with a considerable gross income, as they may be interested in diversifying their portfolio and seeking higher returns on their investments.

Mortgage:

Cross-sell to customers with a higher gross income who may be looking to purchase a property. A mortgage can help them achieve their homeownership goals.

Securities:

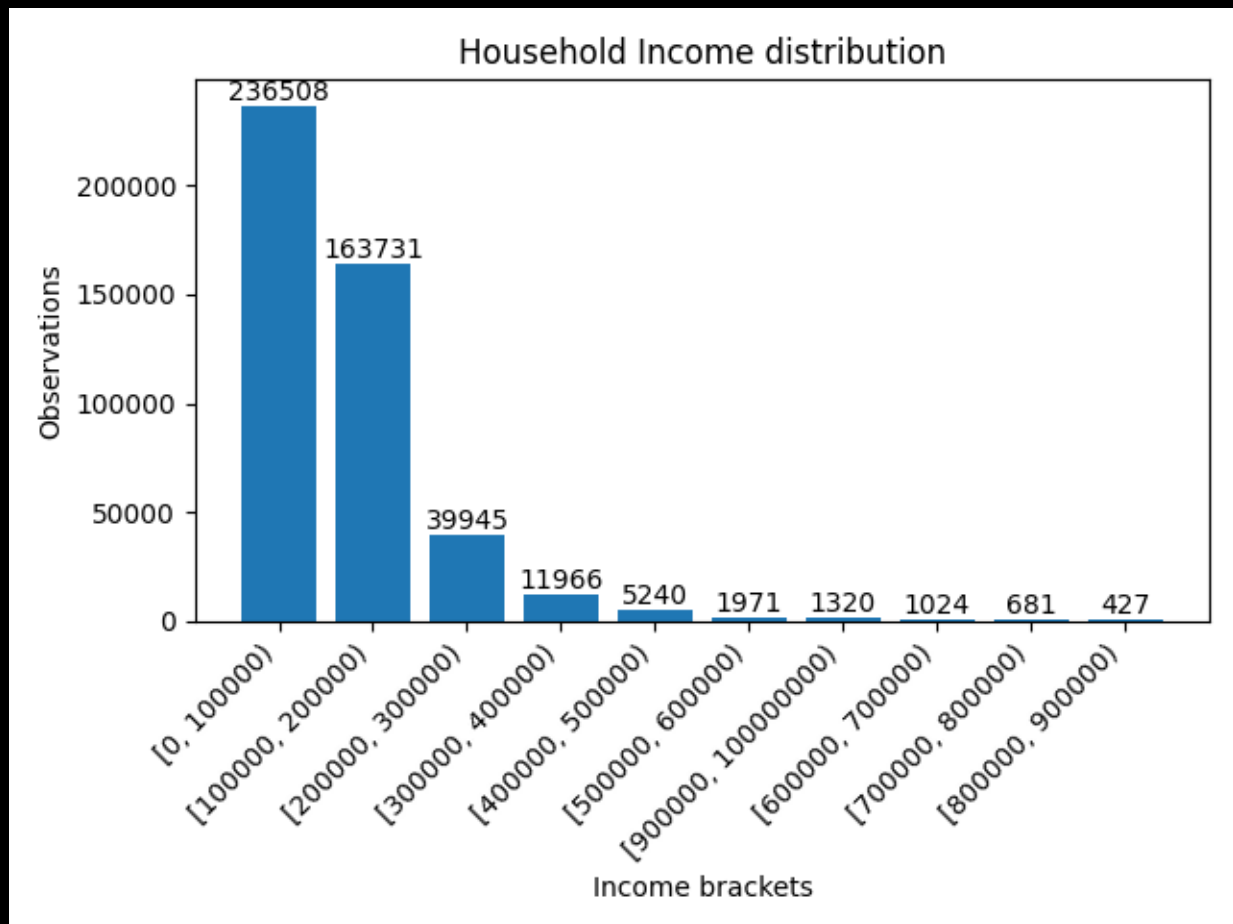
Offer to customers with a significant gross income who may be interested in more advanced investment opportunities and have a higher risk tolerance.

Home Account:

Recommend to customers with a moderate to high gross income who are focused on saving for homeownership or other large expenses related to their residence.

Pensions:

Encourage customers with higher gross incomes to plan for their retirement by investing in pension plans for long-term financial security.



Segmentation:

01 - VIP:

Guarantees:

VIP customers may have higher financial assets and may be interested in investment opportunities that offer security and higher returns.

Funds:

VIP clients might be interested in a diverse range of investment funds that cater to their specific risk tolerance and financial goals.

Securities:

As high-net-worth individuals, VIP customers may explore investment options in securities like stocks and bonds to further grow their wealth.

Mortgage:

For VIP customers looking to invest in real estate or purchase luxury properties, offering mortgage options tailored to their financial standing can be attractive.

Pensions:

VIP clients may want to secure their future with well-tailored pension plans that align with their affluent lifestyle.

02 - Individuals:

Credit Card:

Offering credit cards to individuals can provide them with convenience and flexibility for day-to-day expenses or planned purchases.

Loans:

Individuals may require personal loans for various purposes like home improvement, education, or travel, making this an ideal cross-selling option.

Short-term Deposits:

Encouraging individuals to consider short-term deposits can help them earn additional interest on their savings without committing to long-term investments.

Home Account:

Individuals interested in homeownership might benefit from a dedicated home account to save for a down payment or ongoing housing expenses.

03 - College Graduated:

Junior Account:

Recent college graduates may appreciate a junior account if they are starting a family and want to save for their children's future.

Savings Account (Más particular Account or particular Plus Account):

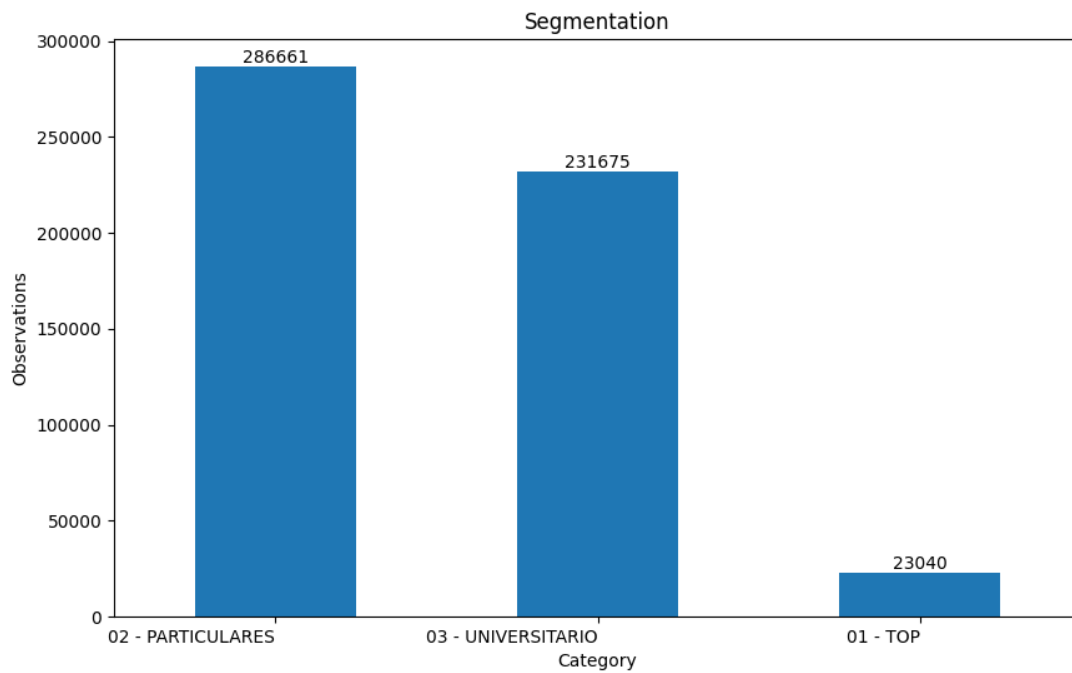
Encouraging young professionals to consider higher-tier savings accounts can promote better savings habits and earn more interest.

E-account:

Tech-savvy college graduates might prefer an e-account for easy and convenient banking on digital platforms.

Pensions:

Although retirement is distant for college graduates, introducing the concept of pensions early can foster a long-term savings mindset.



Chanel

Out of the 618508 customers with at least one current account 211800 of them came to join through KHE, another 118030 came through KAT and another 110769 came through KFC which sums up to 71.23% of the total number. Therefore, we strongly suggest that more effort should be placed on those 3 channels.

