



Mitron Bank

Project Analysis

Overview



Mitron Bank

Mitron Bank is a legacy financial institution headquartered in Hyderabad. They want to introduce a new line of credit cards, aiming to broaden its product offerings and reach in the financial market.

AtliQ Data Services came to know about this through an internal link and approached Mitron Bank with a proposal to implement this project. However, strategy director of Mitron Bank, Mr. Bashnir Rover is skeptical and asked them to do a pilot project with the sample data before handing them the full project. They provided a sample dataset of 4000 customers across five cities on their online spend and other details



We have used PowerBI as a tool to analyze the different sort of queries

Problem statement

Demographic classification

Classify the customers based on available demography such as age group, gender, occupation etc. and provide insights based on them.

Avg income utilisation

Find the average income utilisation % of customers (avg_spends/avg_income). This will be your key metric. The higher the average income utilisation %, the more is their likelihood to use credit cards.

Spending Insights

Where do people spend money the most? Does it have any impact due to occupation, gender, city, age etc.? This can help you to add relevant credit card features for specific target groups.

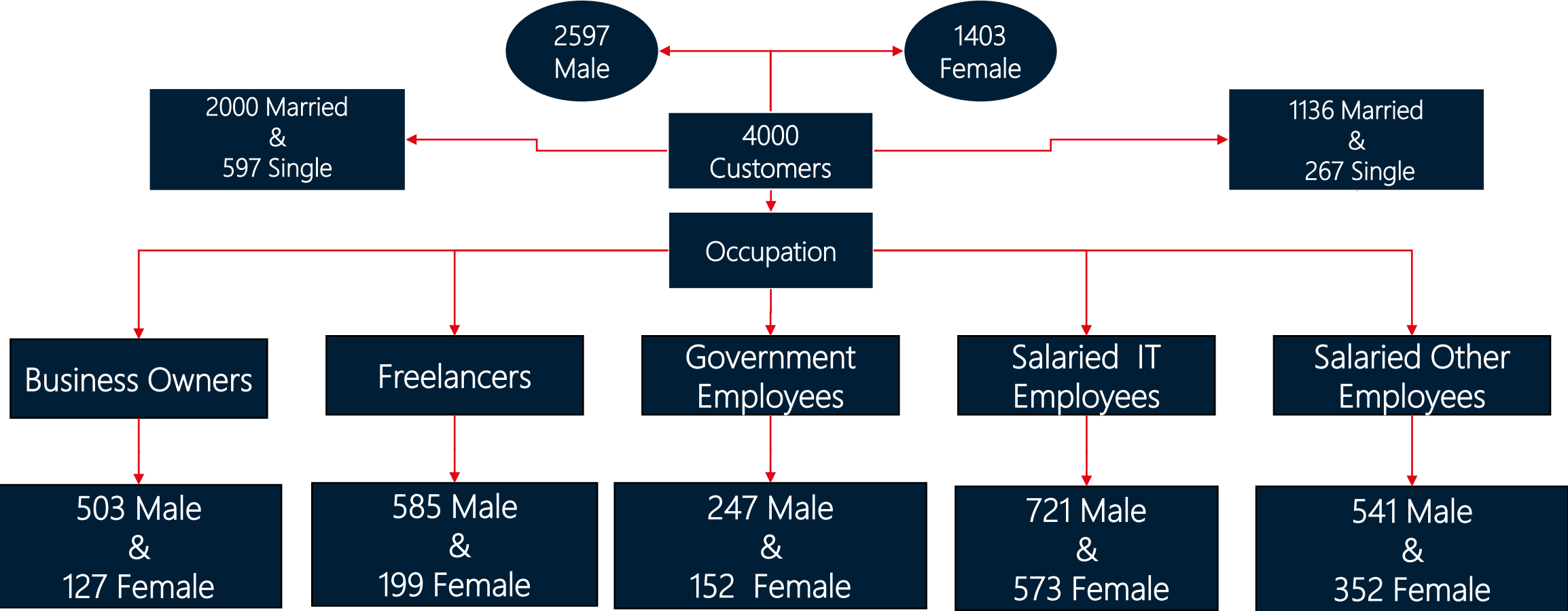
Key Customer Segments

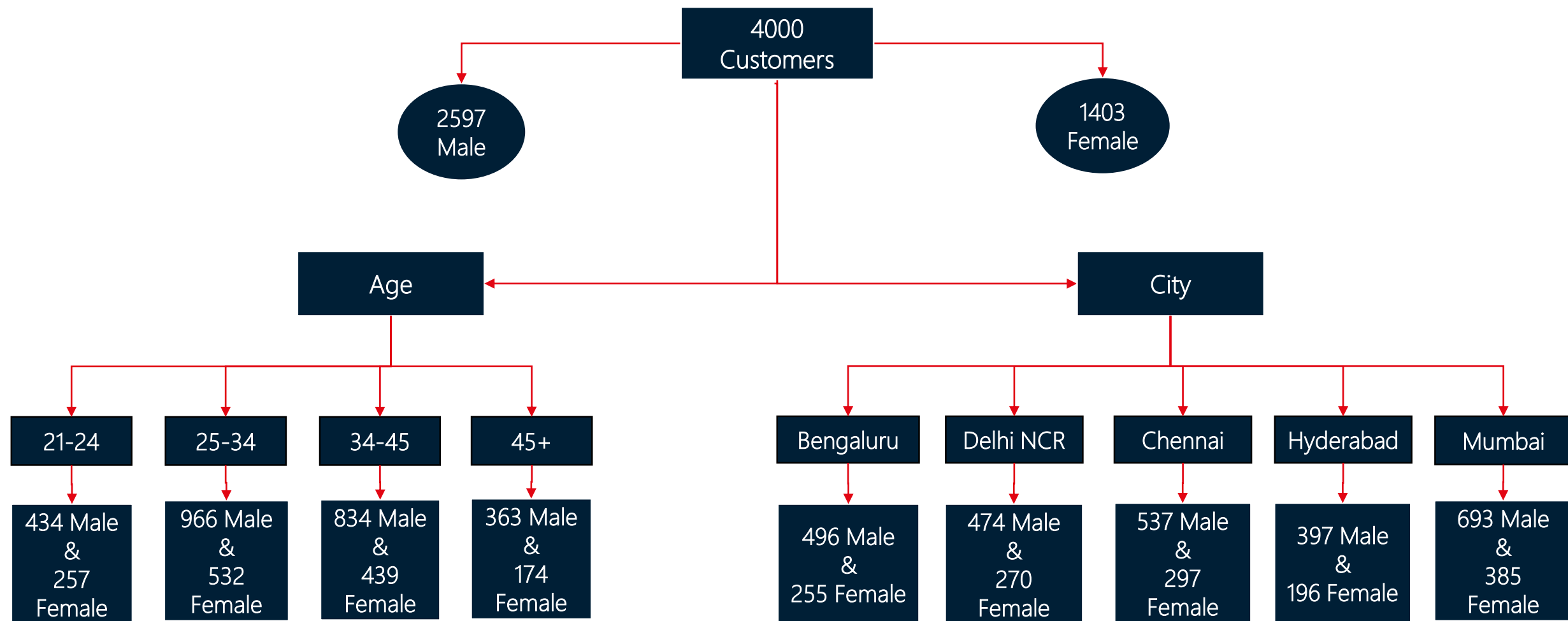
Identify and profile key customer segments that are likely to be the highest-value users of the new credit cards. This includes understanding their demographics, spending behaviors, and financial preferences.

Credit Card Feature Recommendations

Provide recommendations on what key features should be included in the credit card which will improve the likelihood of credit card usage. This should be backed by the insights from data provided and also some secondary research on the internet for this.

Demographic classification





Average Income Utilization by customers

4000	2597	1403
Total Customers	Male	Female

1.20%
Average of Avg_income_utilized

Average Income utilization

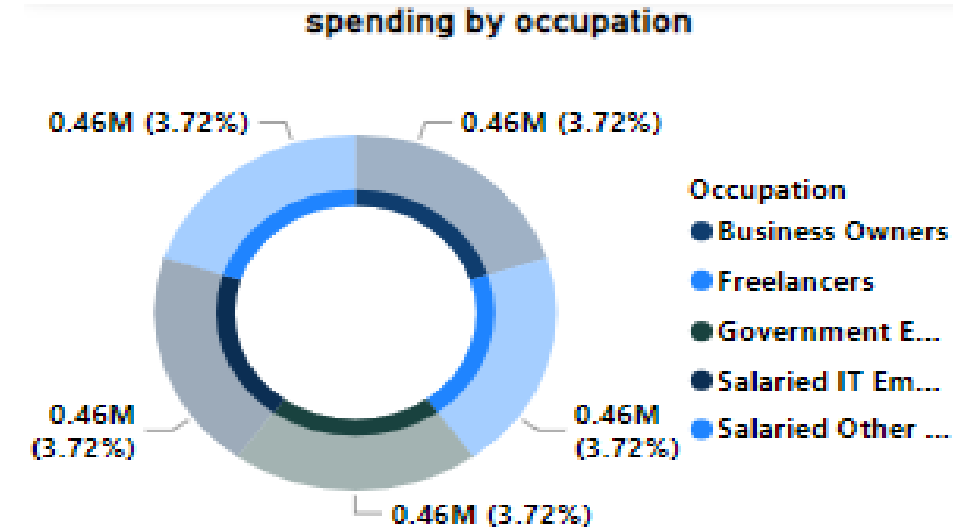
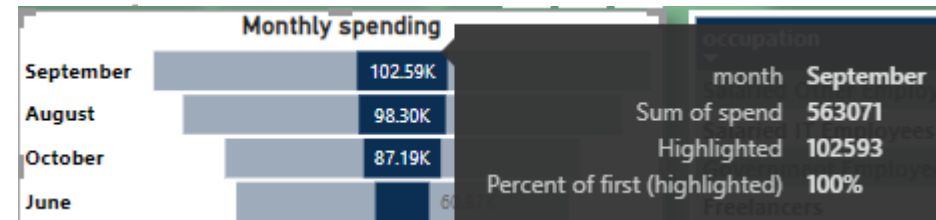
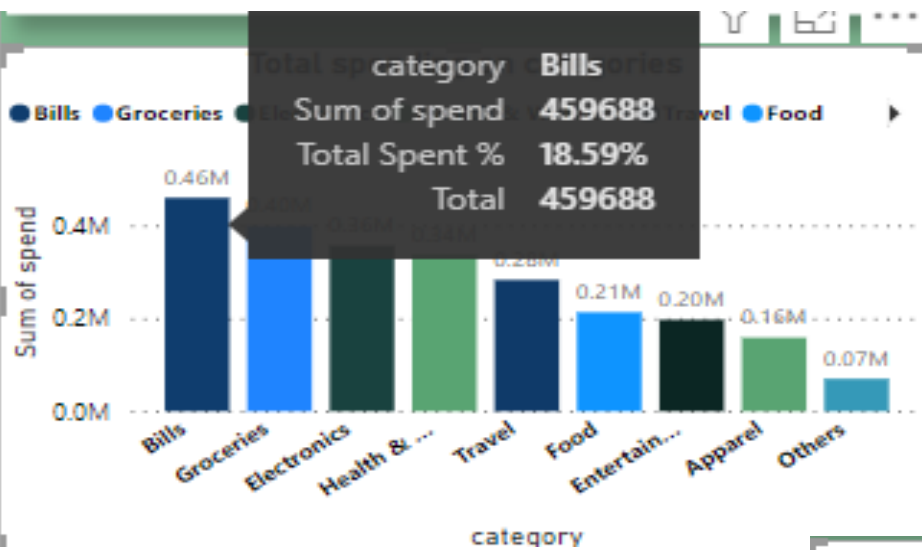
"The key metric, Average Income Utilization %, reveals that customers, on average, allocate 1.20% of their income towards spending. This percentage serves as a crucial indicator, suggesting a certain level of likelihood for customers to use credit cards."

occupation	Credit Card	Debit Card	Net Banking	UPI
Salaried Other Employees	2.11%	0.95%	0.46%	1.13%
Salaried IT Employees	2.41%	1.34%	0.52%	1.57%
Government Employees	1.30%	0.79%	0.36%	0.66%
Freelancers	1.78%	1.20%	0.52%	1.63%
Business Owners	1.42%	0.84%	0.40%	1.06%
Total	1.95%	1.10%	0.47%	1.32%

Distribution of Average Income Usage Across Occupations

Furthermore, an interesting observation highlights that the prevalence of credit card users is notably higher among customers based on their occupations, constituting approximately 1.95%. This insight underscores a correlation between specific occupations and an increased likelihood of using credit cards

Spending Insights



- Approximately 3.72% of customers from various occupations demonstrated a higher spending emphasis on essential needs, particularly bills.
- In the months of September following august, our analysis uncovered fascinating spending patterns among customers. The highest spending category, constituting a significant 18.59% of income, was allocated to essential needs such as bills. Notably, 'Others' represented the least expenditure accounting for only 2.83% of income during this period. Understanding these spending dynamics provides valuable insights for tailoring credit card features to align with customer priorities and preferences.

Key Customer Segments Analysis

Payment Preference by Age Group

"Our analysis of payment preferences unveils interesting trends among different age groups. Notably, 'UPI' dominates among individuals aged 21-24, 'debit card' is preferred by those aged 25-34, and 'net-banking' gains prominence in the 35-45+ age group. Understanding these age-specific payment tendencies is crucial for tailoring credit card features to align with customer preferences."

Occupation-specific Spending Patterns in September

"September emerges as a pivotal month for customer spending across various occupations, with an average expenditure of 4.5%. Credit cards play a prominent role in these transactions, constituting 2.63% of the spending. Interestingly, within this segment, 13% are married individuals, while 3.53% are single, highlighting the potential for credit card features that cater to different marital status preferences."

Income spending habits

"Approximately 20% of our customers demonstrate a proactive approach to managing their finances, spending a significant portion of their income. Recognizing this behavior allows us to target this segment with tailored credit card offerings that align with their financial habits and preferences."

Key Customer Segments

By synthesizing insights into payment preferences, income spending habits, and occupation-specific patterns, we can now profile key customer segments. These segments not only span across different age groups but also encompass individuals with varying financial behaviors and occupational backgrounds. Understanding the demographics, spending behaviors, and financial preferences of these segments is crucial for tailoring credit card offerings that resonate with the unique needs of our diverse customer base

Credit card Recommendations



Contactless Payments Trend:

Research indicates a growing trend in contactless payments. Incorporate contactless payment features into the credit card to align with the latest payment preferences.

Income-Centric Rewards Program:

Given that approximately 20% of our customers actively allocate a significant portion of their income, we propose a tailored rewards program that incentivizes responsible spending and offers exclusive benefits to those who actively manage their finances.

Seasonal Spending Bonuses:

Capitalizing on the insight that September is the highest spending month for different occupations, we recommend introducing seasonal spending bonuses during peak months. This can encourage increased credit card usage, especially during periods of higher economic activity.

Special Rewards for High Expenditure Categories:

To further incentivize high spending, particularly in categories like bills and essential items where the highest spend is 18.59% of income, we suggest introducing special rewards, cashback, or discounts for users who consistently spend in these categories.

Feedback Mechanism for continuous improvement:

Implementing a user-friendly feedback mechanism is crucial. Regularly seeking customer feedback will allow us to continuously improve our credit card features based on user preferences and evolving spending habits.



Thank You