

Credit Card Customers Attrition Analysis

Title Screen	General Overview	Credit Limit	Number Of Service Used	Utilization Ratio	Total Transaction Count	Recommendations
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A Manager at the bank is concerned with more and more customers leaving their credit card services. They would really appreciate if one could help them narrow down potential factors to help their marketing department implement mitigation A Manager at the bank is concerned with more and more customers leaving their credit card services. They would really appreciate if one could help them narrow down potential factors to help their marketing department implement mitigation

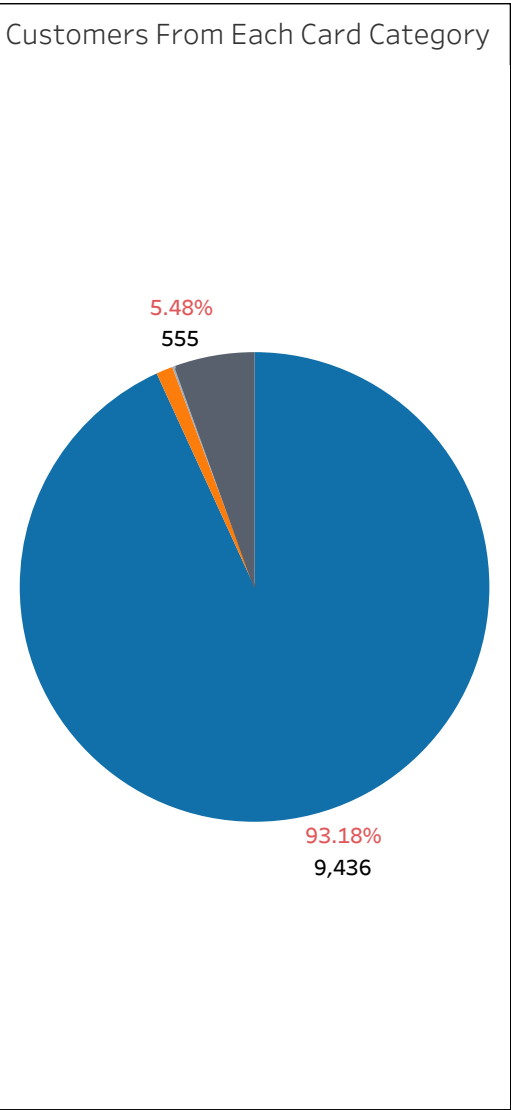
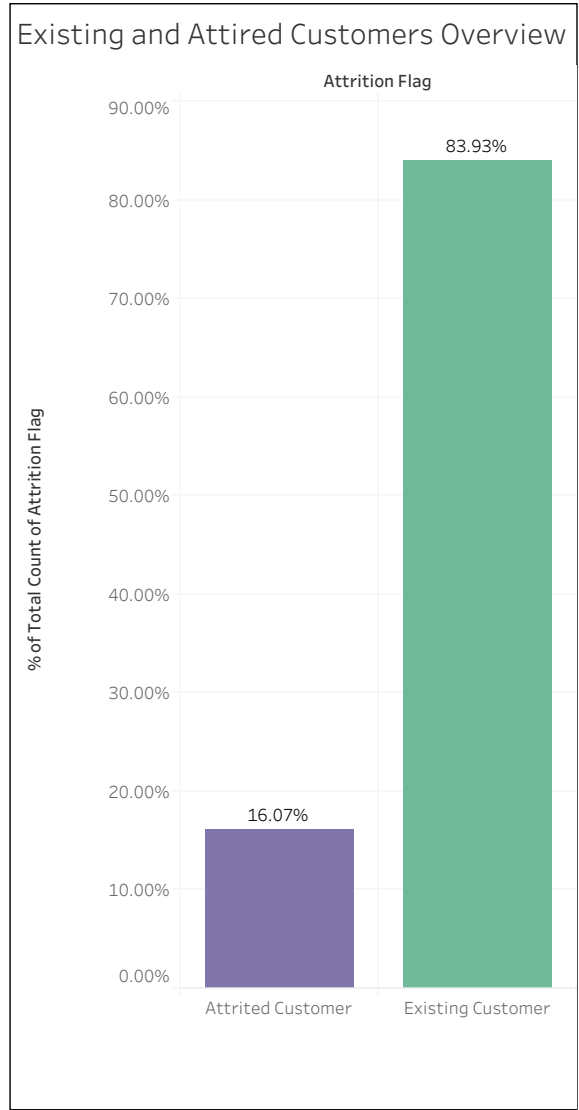
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“ What marketing strategy should the bank implement to identify specific customer segments to focus on, with the goal of reducing customer churn by 15%?”

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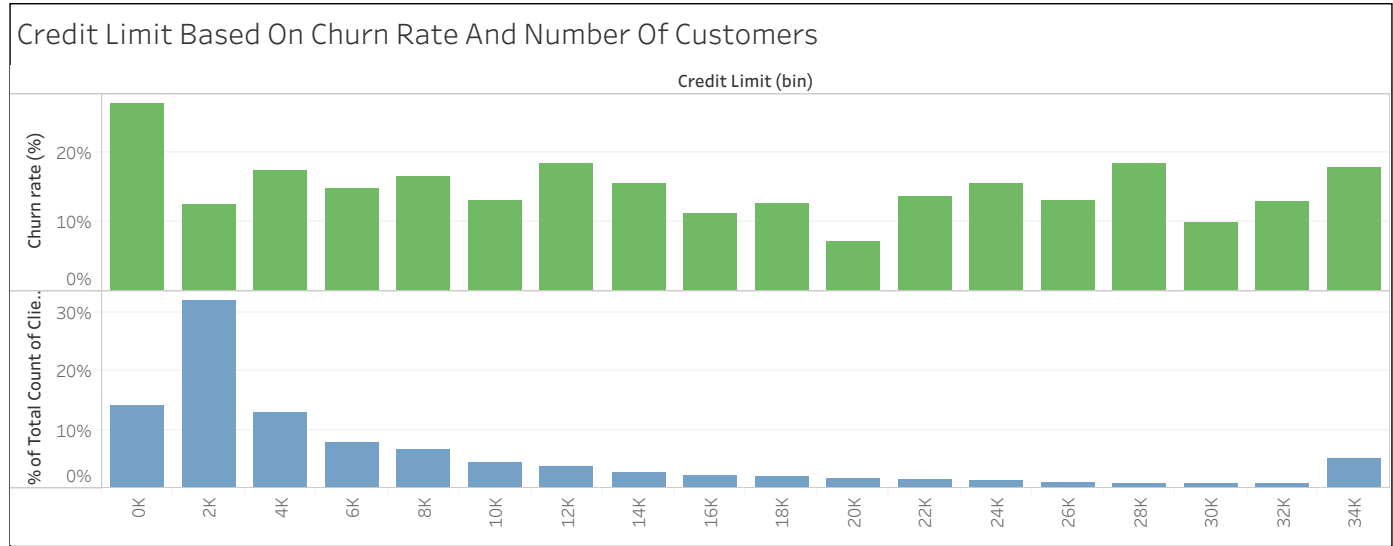
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As We can see in this Visual, the first thing we did was determining how many customers have left the bank, which is 16.07% of 1627 customers. We also can depict the majority, 93% of the customers, are blue card holders. So, our analysis will mainly fall in the blue card holders category.

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In this Analysis, we mainly focused on the impact credit limit has on customer’s churn/attrition rate. The first thing we did was, creating a bin of 2000 for credit limit, so that we can clearly see the churn rate for every \$2000. We also included the percentage of number of customers attrited on different credit limit levels on the bottom chart. Now, it is evident that churn rate is the highest for customers with less than \$2000 credit limit.

Segment 1:Customers with credit limit less than \$2000

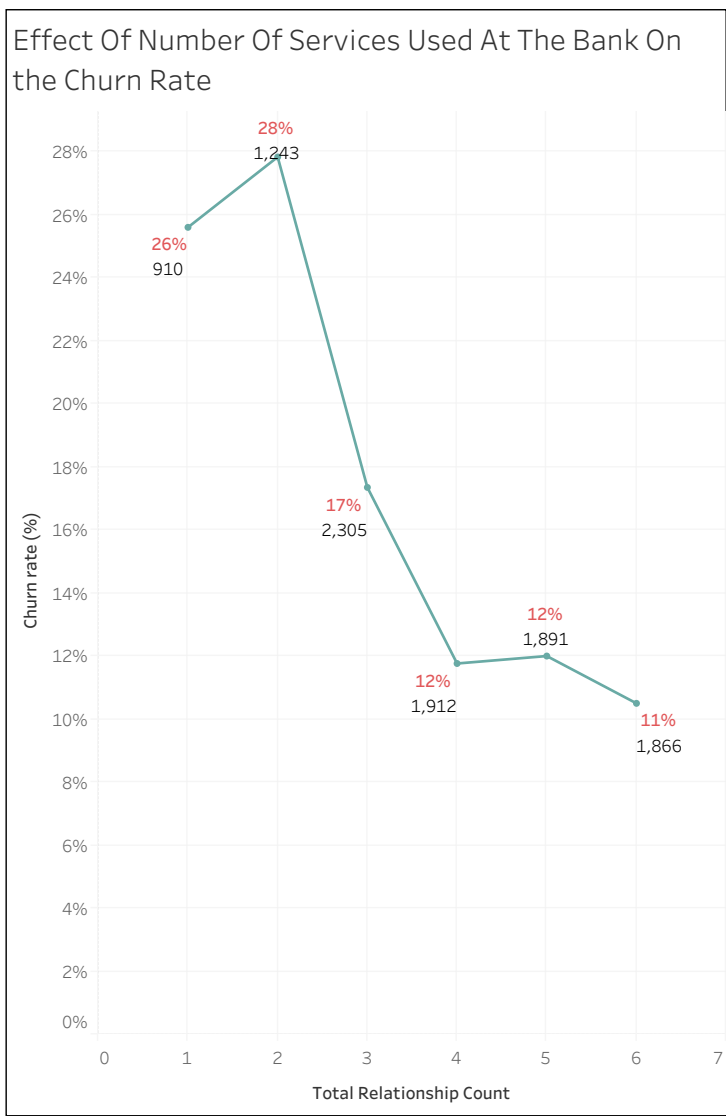
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In this part of the analysis, we aimed to discover the effect, number of services used by customers has on customers attrition rate. Churn rate is plotted on the Y-axis and Number of services on the x-axis.

As we can see on the plot, customers that are using less than two services with the bank have the highest attrition rates. So, we can use this to assign our third segment.

Segment 2: Customers using less than 2 services of the bank.



Card Category
All

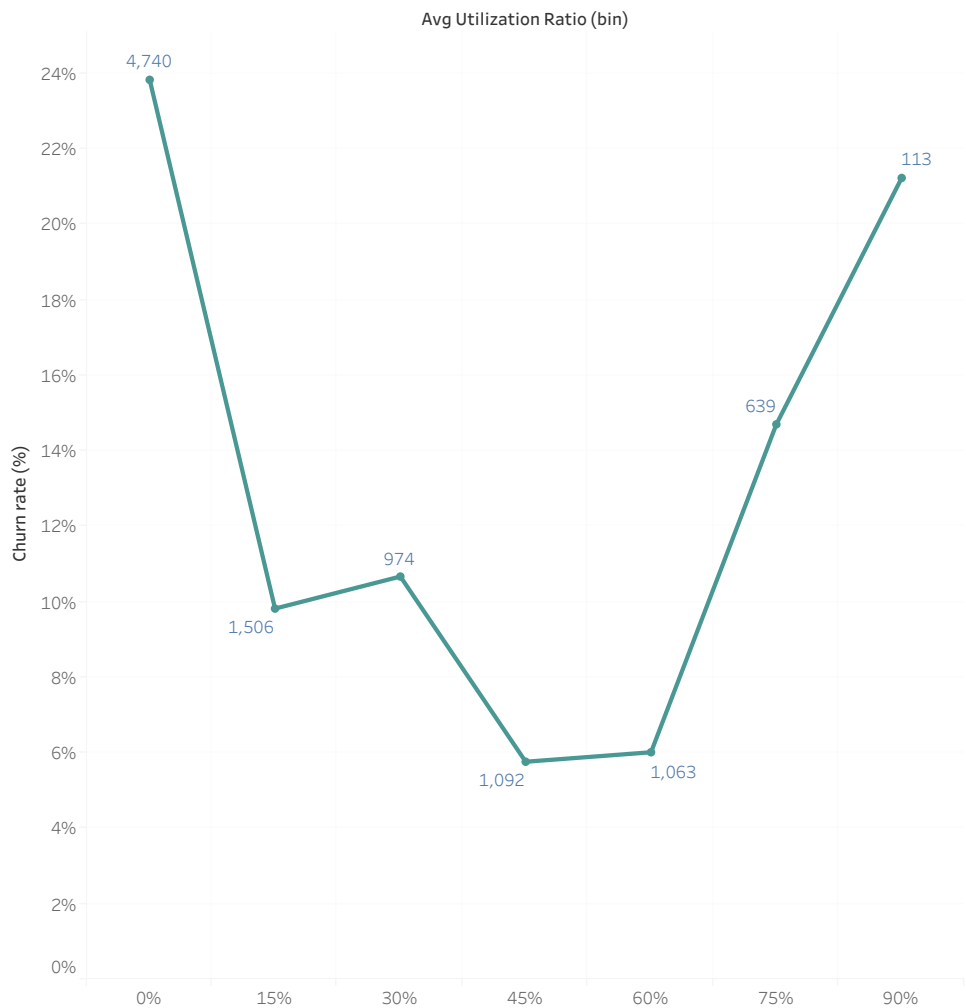
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On this Area chart it is aimed to display the effect utilization ratio has on customers' attrition rate. As we can see, customers with the lowest and highest utilization ratio have the highest churn rate. Supposedly, customers with the highest utilization ratio are maxing out on their credit limit, while customers with the lowest utilization ratio are struggling with lower credit limits.

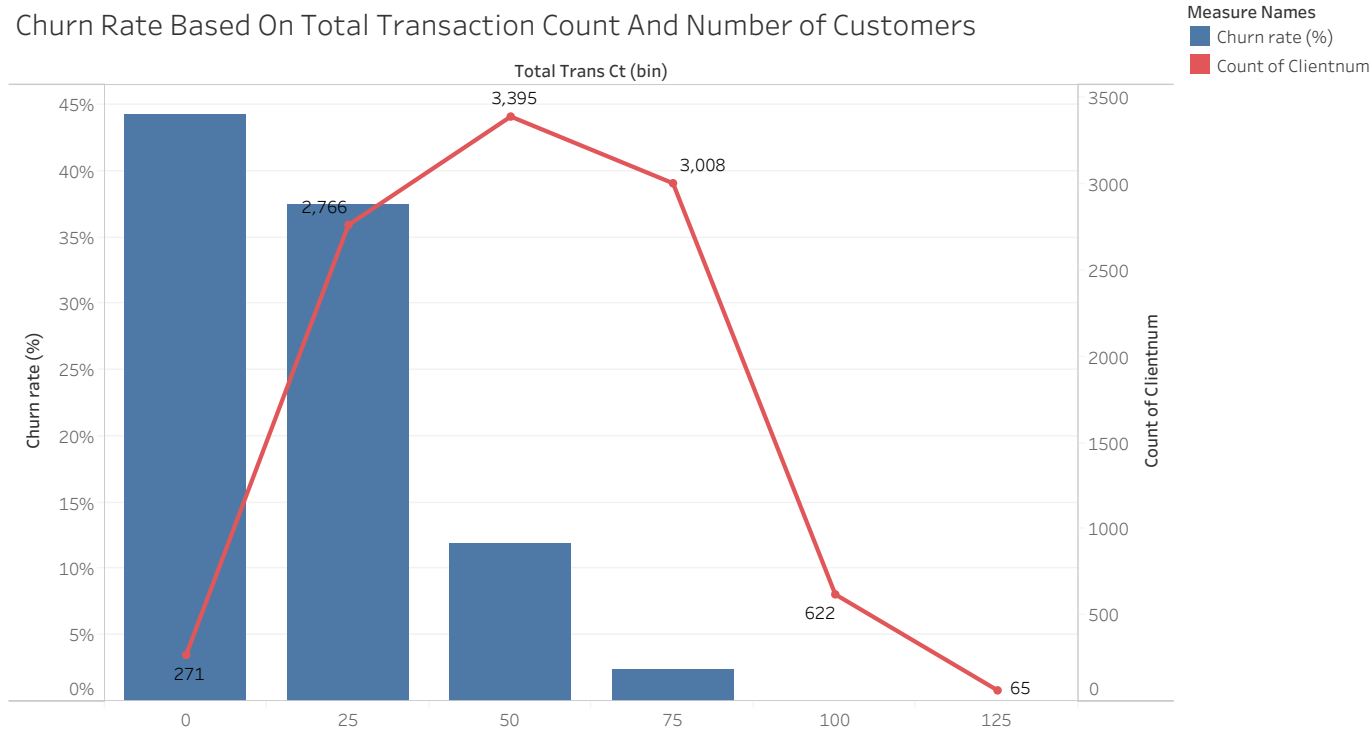
Segment 3: Customers with the 0% and 90% utilization ratio

Churn Rate Based on Average Utilization Ratio And Number Of Customers



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Here, we can see a plot of the churn rate and the Total transaction count arranged in bins of 25. As the total transaction count rises, the churn rate declines. By examining this pattern alongside the customer distribution at each total transaction count point, we can infer that customers with a total transaction count below 25 have higher churn rate.

Segment 4: Customers with a total transaction count less than 25

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Recommendations

→ The Marketing Management team should look into customers with a credit limit less than <\$2000. The marketing team may extend its flexibility to customers by providing a relief program by considering demographics like income, dependent count and some more.

→ Another thing the marketing team should consider is the number of services customers are using with the bank. The team may consider cross selling their services to customers with less than 2 services with the bank or come up with an effective promotional campaign.

→ The third recommendation is regarding utilization ratio. The team may consider working on a better promotional strategy and other incentives for customers with low utilization ratio, while for customers with high utilization ratio, measures like revisiting credit limit may become useful.

→ Final recommendation for the marketing team is about customers with less than 25 total transaction count. Remedial measures like, speeding up the transaction time, reducing transaction fees (if any) and incentives for these group of customers could make a difference.