

Banking Marketing Campaign Analysis

A Data-Driven Approach to Understanding Customer
Engagement

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1. Project Summary

This report presents a detailed analysis of a banking marketing campaign focused on time deposit investments. Using Power BI for visualization and advanced data analysis techniques, we explore customer behavior, key influencers, and campaign effectiveness. Key findings indicate that job type, education, age, and previous campaign success significantly impact campaign outcomes.

2. Introduction

2.1 Background

Banks frequently use marketing campaigns to attract customers to investment products such as time deposits. Understanding customer behavior and the factors influencing their decision-making is crucial for optimizing marketing efforts. This report aims to provide insights based on historical campaign data.

2.2 Objectives

- Identify key factors influencing customer response to marketing campaigns.
- Understand the impact of demographics, financial status, and past campaign interactions.
- Optimize marketing strategies based on data-driven insights.
- Improve conversion rates by targeting the right audience.

3. Data & Methodology

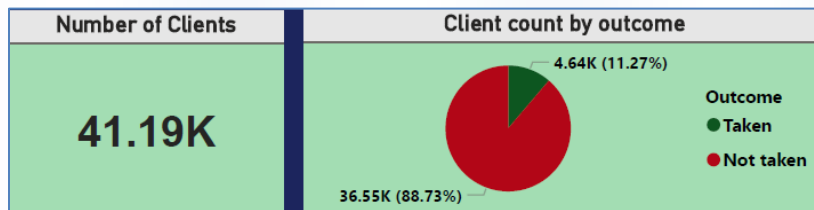
The dataset includes details of 41.19K clients and their interaction history with previous marketing campaigns.

The data consists of:

- Customer demographics: Age, job, education, marital status.
- Financial details: Personal loan, housing loan, credit default history.
- Campaign interactions: Contact method, day, month, previous outcomes.
- Campaign response: Whether the customer subscribed to a time deposit.

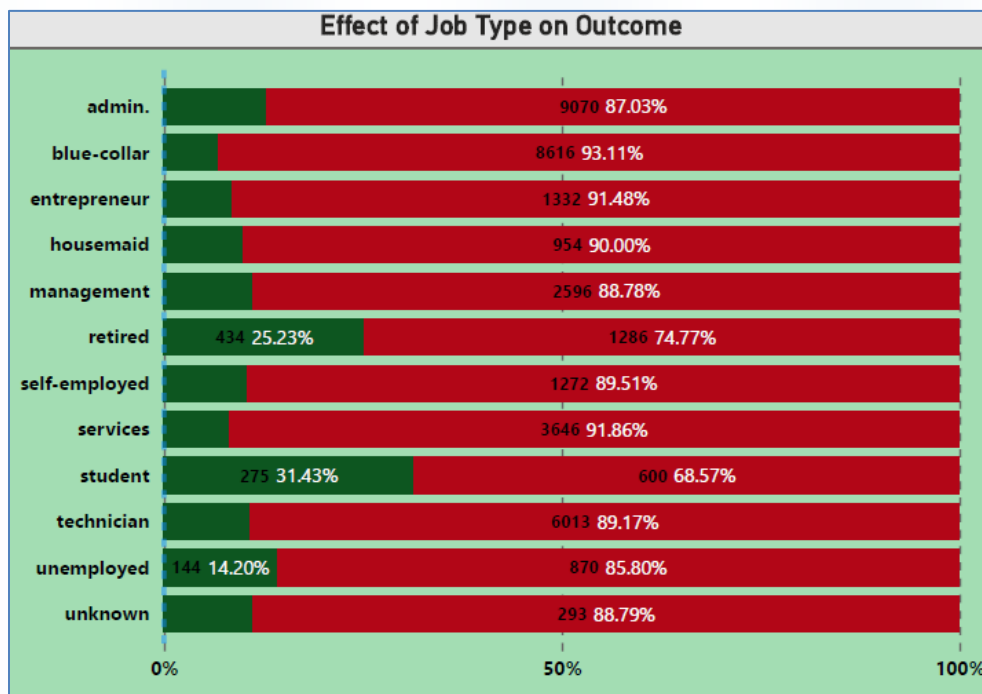
Exploratory Data Analyses were performed to understand campaign effectiveness and customer behavior.

4. Analysis & Findings

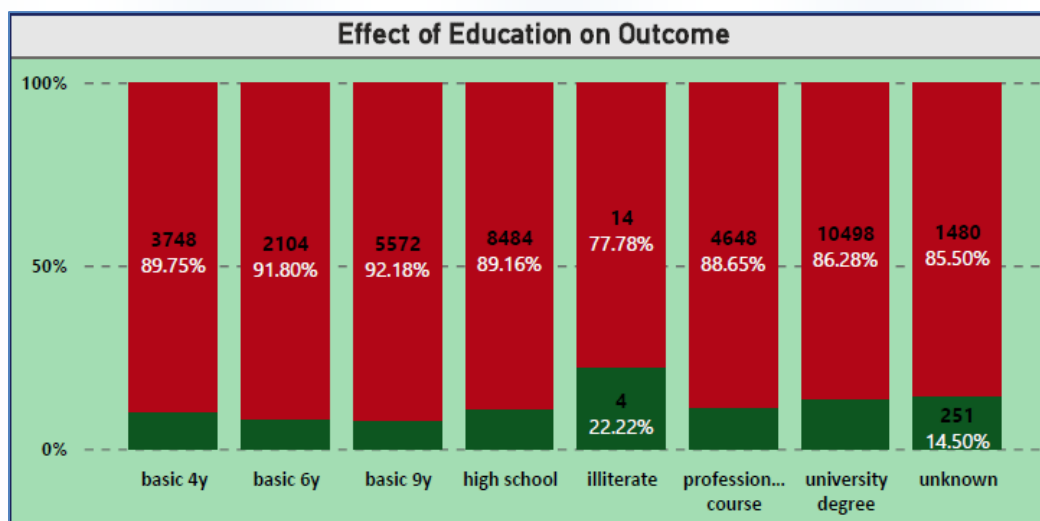


- Term deposit program was successful with a conversion rate of 11.27%.

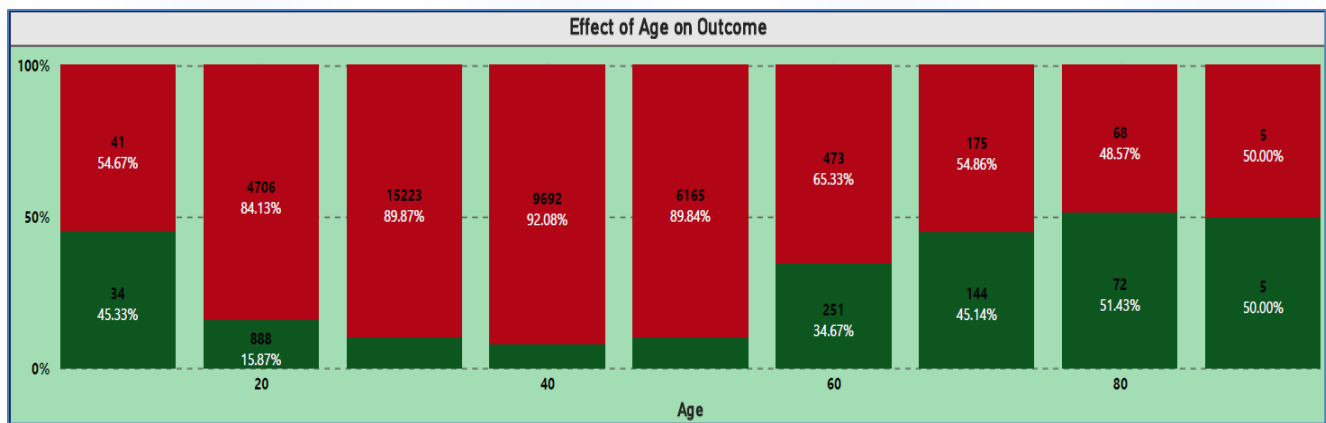
4.1 Effect of Demographics on Campaign Outcome



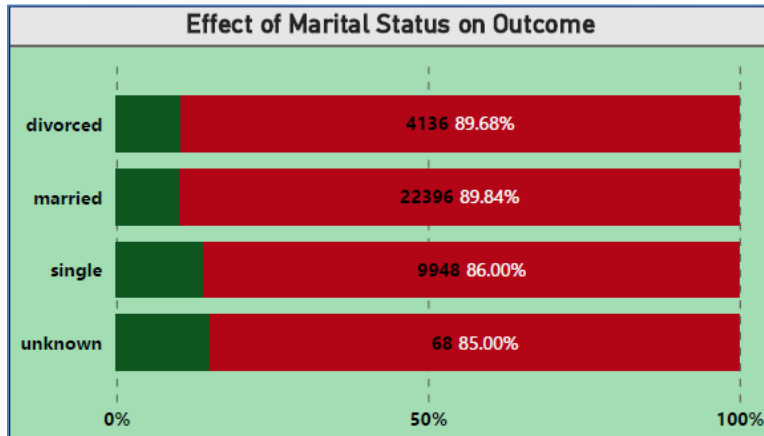
- Job Type: Management, Retired, and Un-employed classes have higher conversion rates.



- Education: University graduates show higher interest in term deposits.

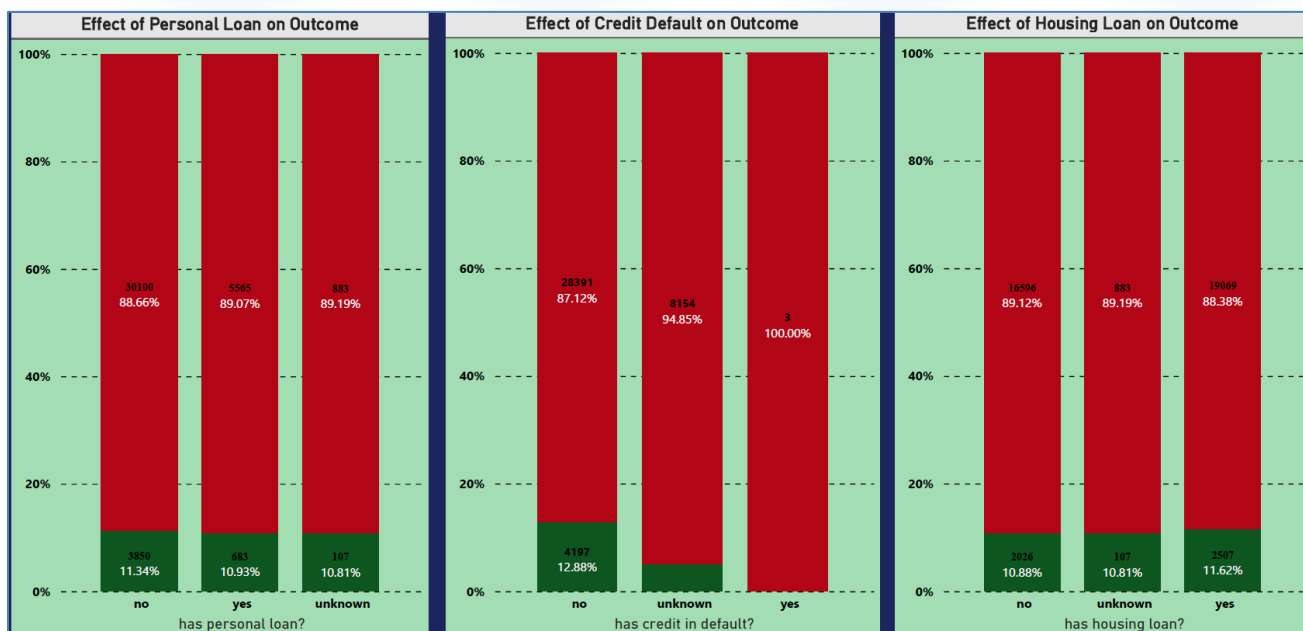


- Age Clients: aged 50 and above respond better compared to younger customers.



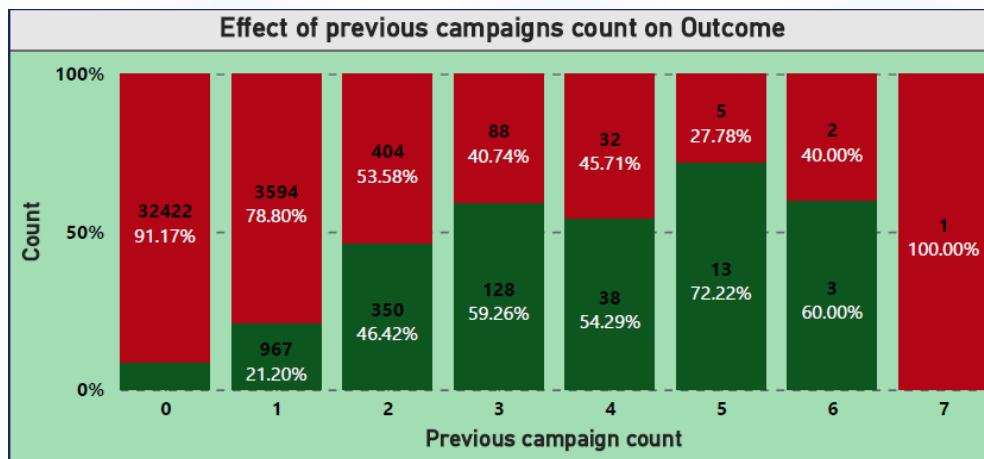
- Marital Status: Single clients respond better than married and divorced clients.

4.2 Financial Attributes Impact

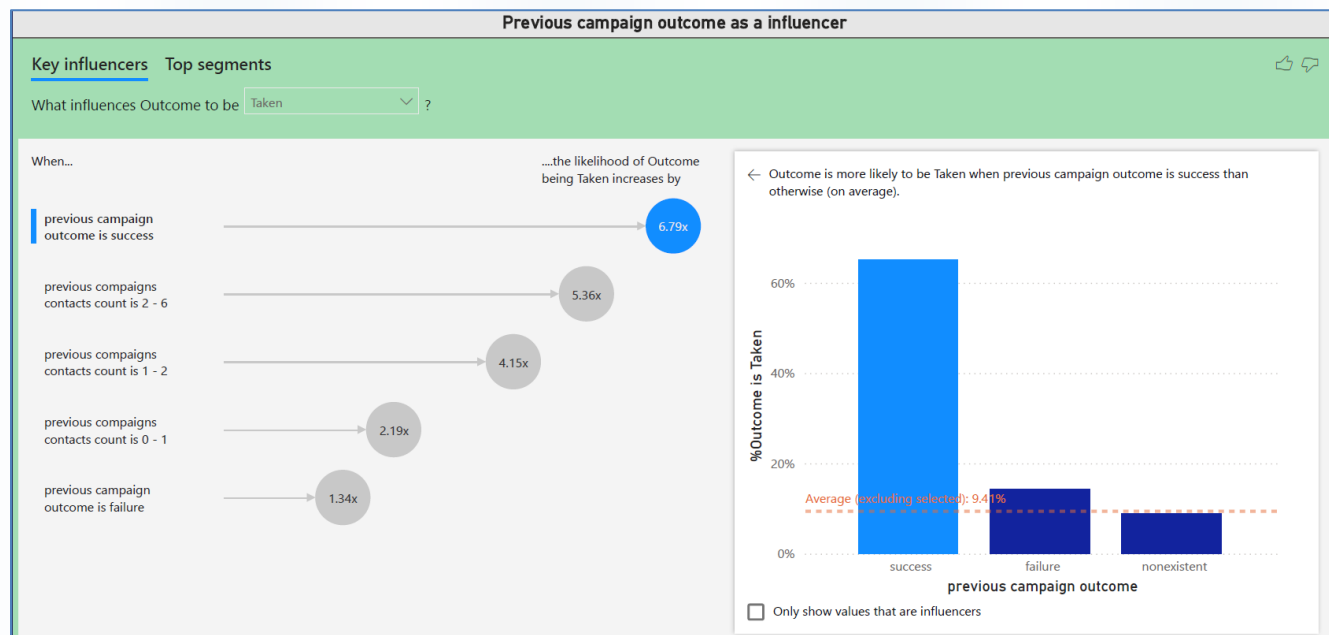
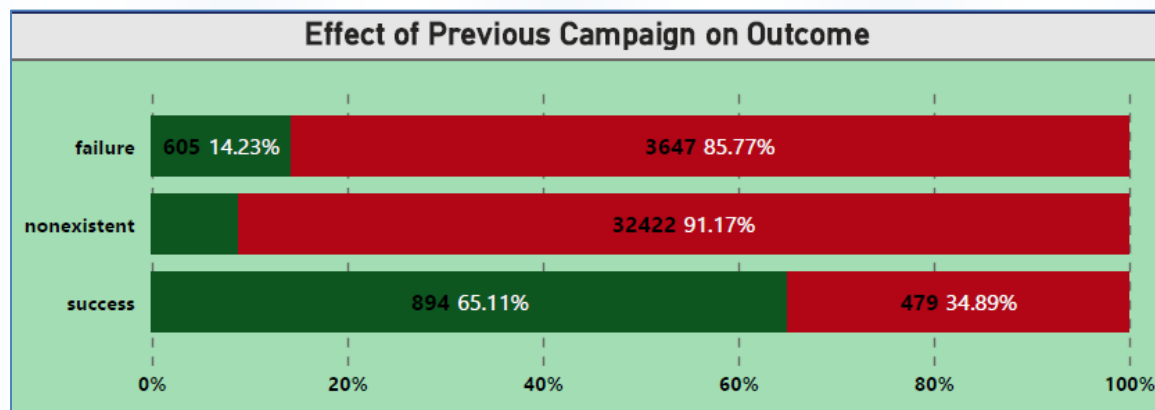


- Clients without personal loans or credit defaults engage better.
- Housing Loan had no significant impact on conversion rates.

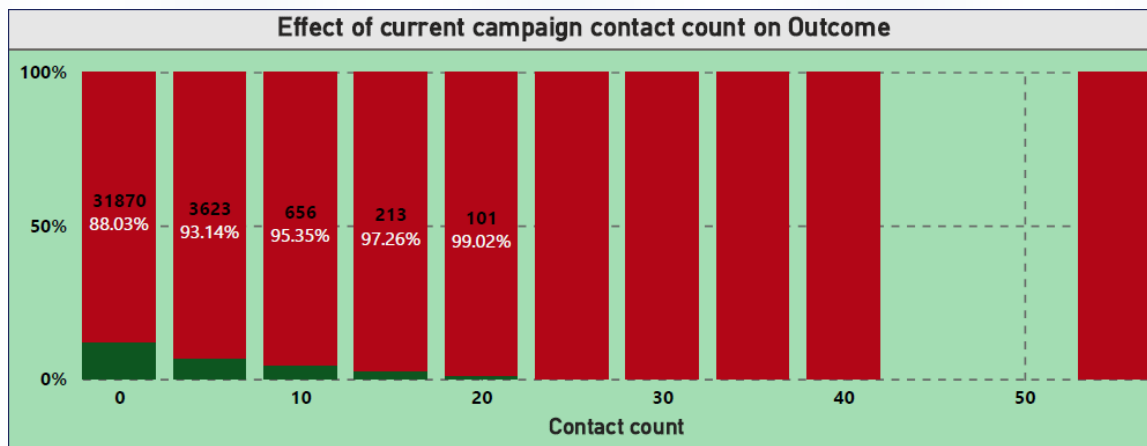
4.3 Campaign Strategy Insights



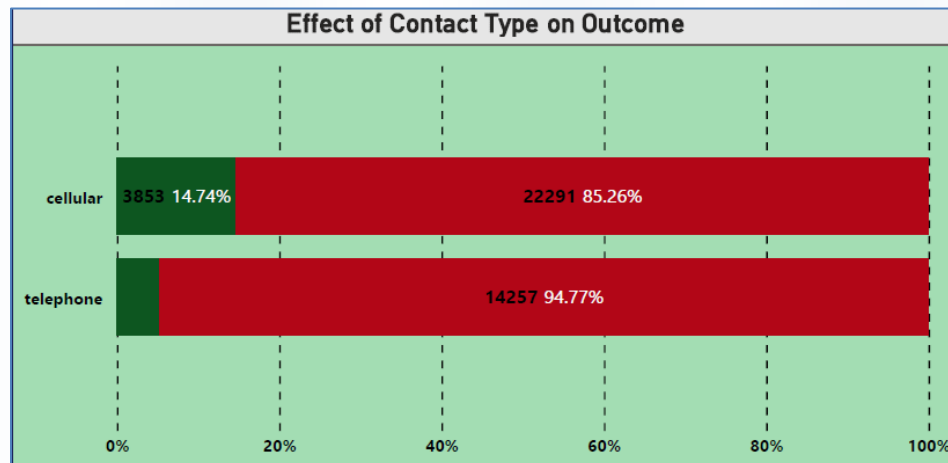
- In general, higher number of previous campaigns contact lead to higher conversion rates.



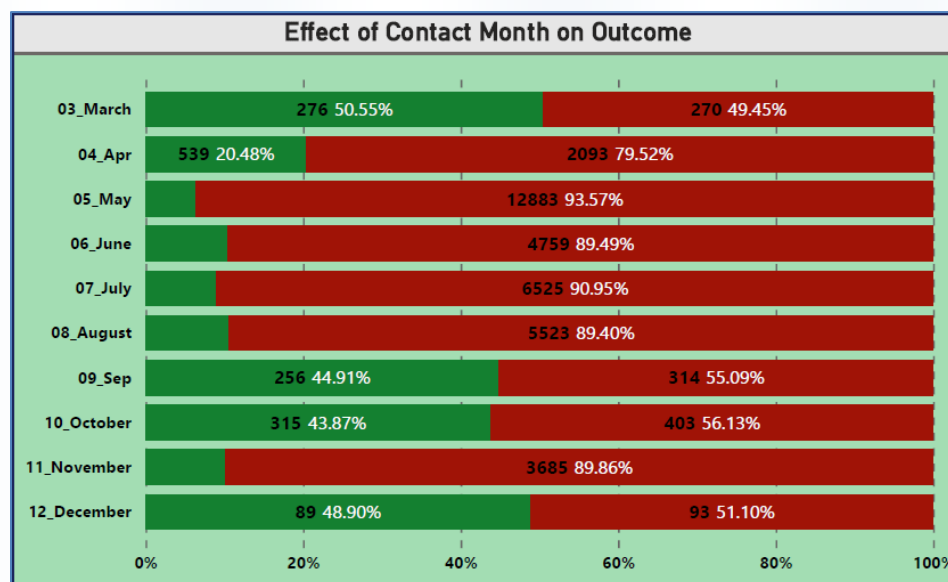
- Previous Campaign Success: Increases likelihood of engagement by 6.79x.



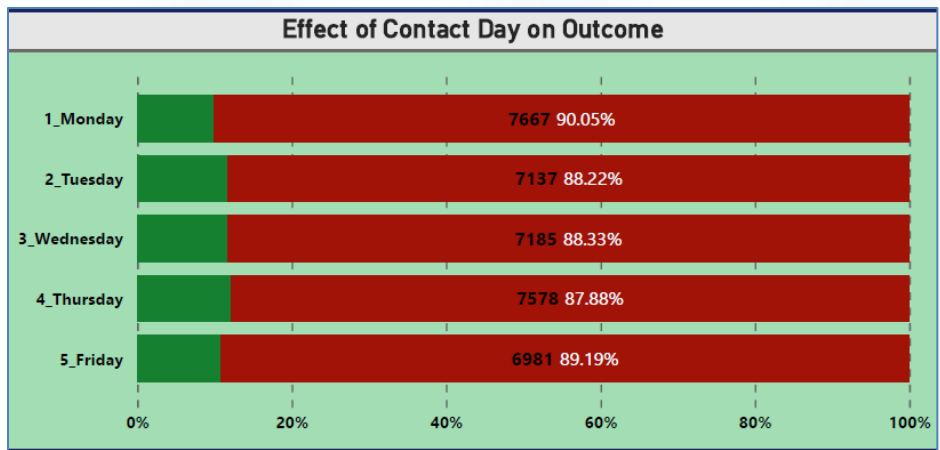
- Higher number of current campaign contact led to lower conversion rates.



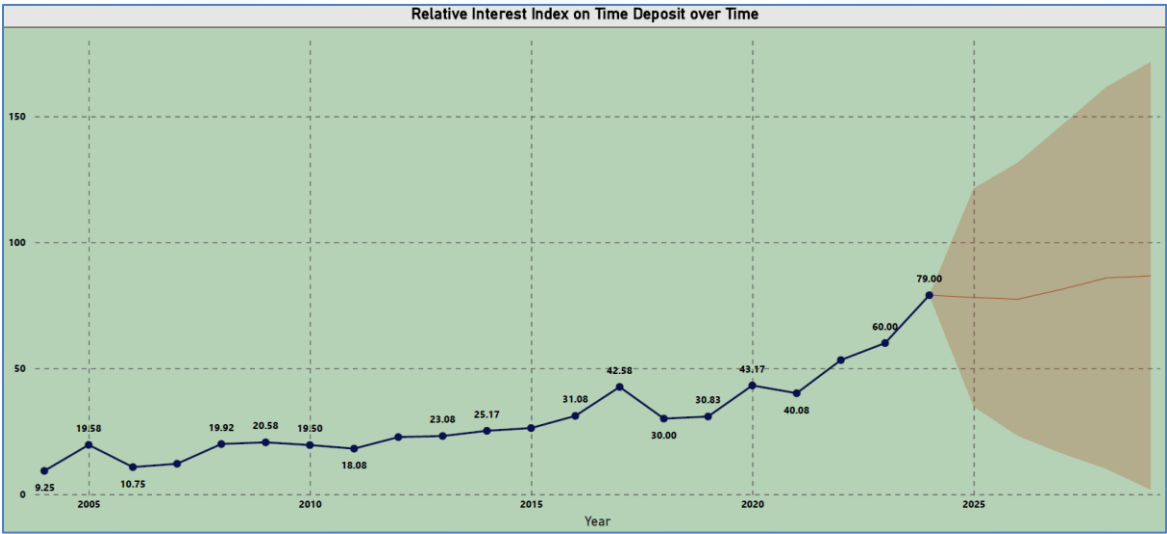
- Contact Method: Cellular is more effective than telephone.



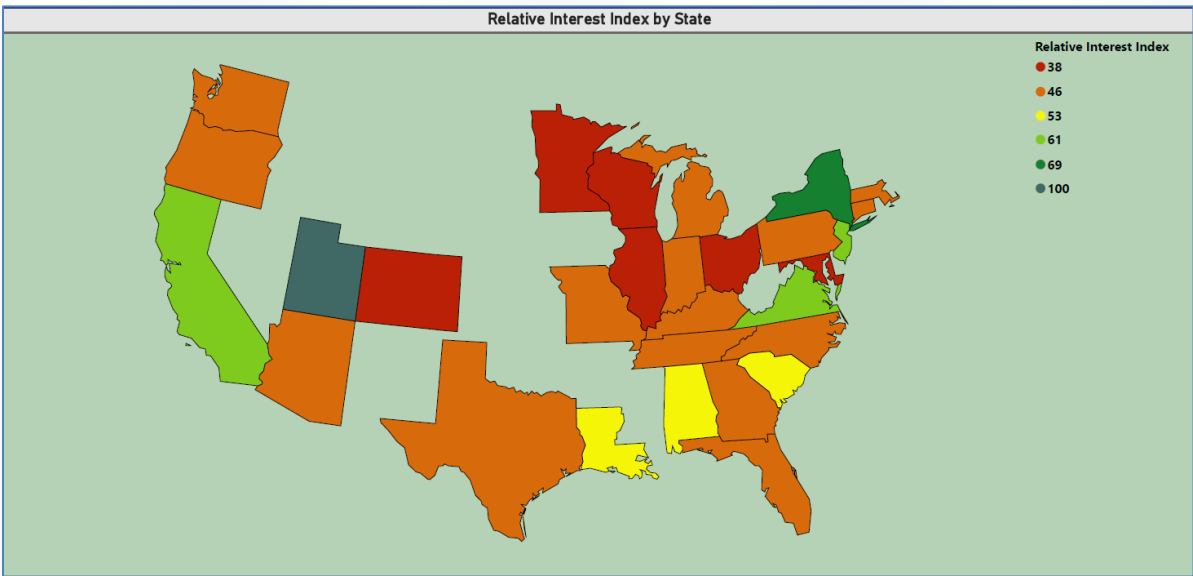
- Best Contact Timing: March and December yield higher responses.



- Contact day had negligible impact on outcomes.



- Overall interest on term-deposits has been increasing over the years.



- Relative state-wise interest index has been plotted on the map.

5. Recommendations

5.1. Target High-Response Segments

Focusing on customers who have historically shown higher conversion rates will maximize returns on marketing efforts.

Prioritized Customer Groups

- **Job Type:** Management, Retired, and Self-Employed individuals.
 - Reason: Higher disposable income and an interest in stable investments.
 - Tasks: Create marketing messages that highlight low-risk, steady returns, and security of term deposits for customers. Send case studies showing how business owners benefit from term deposits.
- **Education Level:** University graduates
 - Reason: Comprehend detailed financial insights and respond well to data-backed campaigns.
 - Task: Show data-backed comparisons of term deposits vs. mutual funds vs. savings accounts. Provide insights on short-term deposits with flexible withdrawal options. Provide customers with comparison charts of term deposits vs. other investment options.
- **Age Group:** Customers aged 50+
 - Reason: Older individuals prefer safe investments with fixed returns over high-risk alternatives.
 - Task: Personalized offers that emphasize financial security and post-retirement planning will work well. Highlight fixed returns, safety, and retirement benefits. Send brochures or videos explaining how term deposits support long-term financial security.

5.2. Optimize Contact Strategy

Inefficient contact strategies can result in customer disengagement. Here is how to improve:

a. Use Mobile Contact Over Telephone

- Cellular communication is more effective than landlines.
- SMS reminders, WhatsApp messaging, and mobile calls should be prioritized.
- Personalized messages can be sent via text before the call to warm up leads.

b. Optimize Contact Frequency

- Reduce excessive contact attempts:
 - Too many calls lead to fatigue and lower conversion rates.
 - Ideal strategy: 2–3 well-timed, high-quality interactions instead of frequent cold calls.
- Use engagement-based follow-ups:
 - If a customer interacts positively, move them to a priority follow-up list.

- If they show no interest, space out future contact attempts.

c. Leverage Past Successful Interactions

- Customers with past successful campaign engagements are 6.79x more likely to convert.
- Create a segmented list of engaged customers from previous campaigns and send them exclusive offers.

5.3. Special Offers & Incentives

- Exclusive higher interest rates for loyal customers.
- Referral bonuses for customers who bring in friends/family.
- Tiered benefits: Higher deposits get better rates, premium services, or free financial advisory sessions.

5.4. Timing Optimization: When to Run Campaigns

Running campaigns during peak months improves engagement.

- March and December are high-response months.
- Align marketing campaigns with festive seasons and year-end financial planning.
- Offer special promotional rates during these months.

5.5. Exclude Low-Response Groups

Avoid spending marketing resources on customers with low engagement rates.

Customers to Deprioritize:

- Clients with Personal Loans or Credit Defaults:
 - These individuals historically have lower conversion rates.
 - Focus instead on those with better financial stability.
- Customers with No Engagement in Previous Campaigns:
 - Instead of repeatedly reaching out to them, analyze their drop-off reasons and adjust messaging.

6. Conclusion

By leveraging data-driven insights, banks can optimize marketing strategies, increase customer engagement, and improve conversion rates. Implementing AI-driven recommendations and A/B testing will further enhance campaign effectiveness.