**Business Problem**

The core business problem is to somehow increase the deposit balance

Total Balance = Balance/customer \* #customers.

**Framework**

* Understand Business Problem –TOSCAR
* Frame the Problem Statement
* Break into smaller problems
* Smaller to data problems
* Find solution of Data problems

**1. TOSCAR:**

1. Trouble

To meet regulatory constraints, the bank can only expand lending products if it is able to increase deposits.

To increase deposits, we need Balance/customers high.

Bank customers are classified into

* Newly acquired customers
* Existing customer who are here to stay
* Customers who are about to leave

2. Ownership

Sales department, Customer Relationship management,

3. Success criteria

* High Balance/customer for each Customer category
* High ROI – Any customer saved brings in 10x Value, Any customer saved will retains at least 5X the balance that we can increase of the existing portfolio.

4. Constraints

* + Limited amount of investment
  + The acquisition portfolio might need promotional balance to open a new account or a balance hurdle

5. Actors

Sales team, Marketing department, Customer Management

**2. Frame the problem statement**

Increase the total deposited balance by saving Customers who are about to leave using retention campaigns.

**3. Decomposition**

* **Retention Rate = ((CE-CN)/CS)) X 100**

**CE**= number of customers at end of period

**CN**= number of new customers acquired during period

**CS** = number of customers at start of period

**4. Smaller problems**

* Identify customers who are about to leave in 30 days.
* What are the reasons of Customers who are about to leave
* How can we improve Retention rate
* Determine what keeps customers loyal

**5. Data problems**

* Create a Customer churn Prediction model while understanding the customer behaviour that comes from various customer data points
* Facilitate an accurate segmentation of the customer base using Clustering to target the customers who are most likely to churn with appropriate retention campaigns.