# AtliQo Bank Credit Card Launch Analysis

Strategic insights for youth market entry

By Prateek waghmare | Aspiring Data Scientist

# Business Challenge

### Market Entry

Launch new credit card product in competitive 2023 market

### Customer Targeting

Identify optimal age demographics and spending behaviors
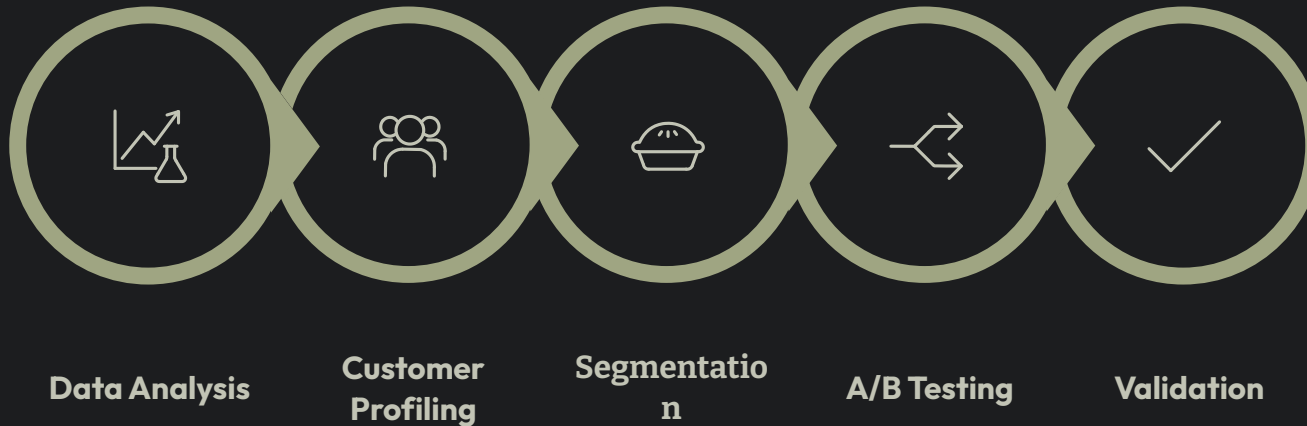
### Product Design

Determine rewards structure and platform integration strategy

### Risk Mitigation

Validate product-market fit through controlled testing

# Two-Phase Strategic Approach

**Data Analysis**

**Customer Profiling**

**Segmentation**

**A/B Testing**

**Validation**

## Comprehensive Methodology

**Phase 1 :** focused on deep customer insights throu

gh extensive data cleaning and behavioral analysis across demographics.

**Phase 2 :** validated our hypothesis through rigorous statistical testing with control and test groups.

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# Phase 1: Data Foundation

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## Dataset Integration

Merged customer profiles, transaction history, and credit data

02
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## Quality Assurance

Imputed missing values using occupation-based medians

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## Outlier Treatment

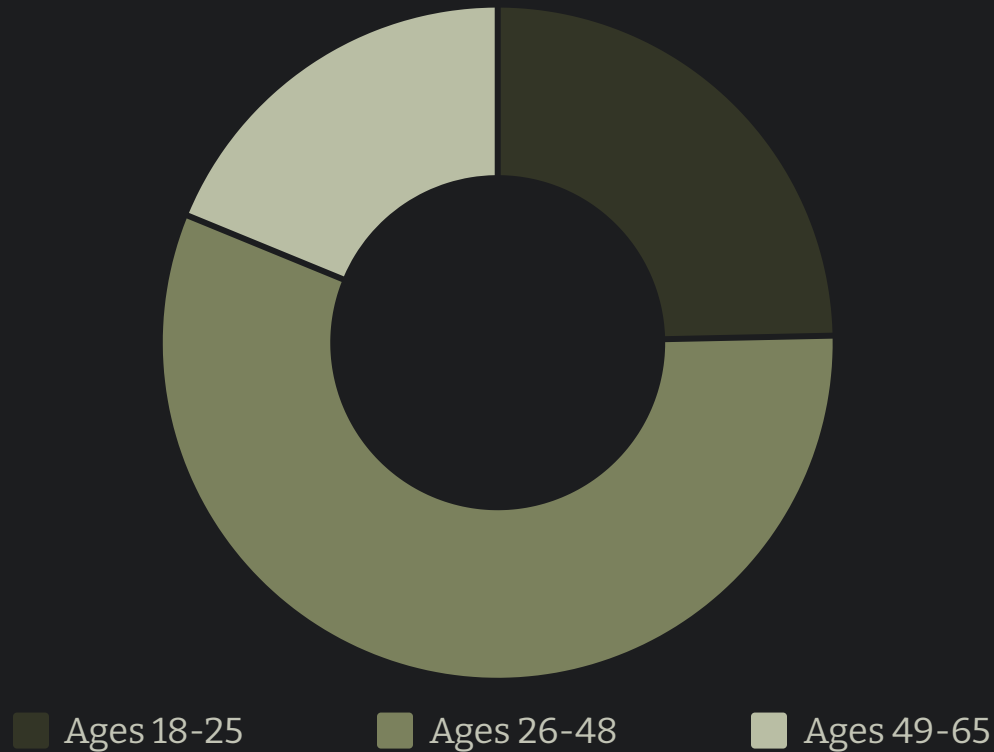Normalized anomalies using statistical averaging techniques

04
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## Behavioral Analysis

Segmented by age, income, payment preferences, credit profiles

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# Customer Demographics Reveal Youth Opportunity



Ages 18-25   Ages 26-48   Ages 49-65

## Untapped Youth Segment

Nearly one-quarter of customer base falls into 18-25 demographic, representing significant growth potential.

This segment shows distinct behavioral patterns: high digital adoption, limited credit history, and preference for mobile-first solutions.

Middle-aged customers dominate at 57%, while older demographics remain stable at 19%.

# Payment Preferences by Generation

## Digital-First Youth Market

**Ages 18-25:** Overwhelmingly prefer UPI platforms (PhonePe, GPay) with 85K+ transactions. Traditional methods like net banking and debit cards see minimal adoption.

**Ages 26-48:** Balanced digital usage across UPI and cards, with PhonePe leading at 70K transactions. Growing comfort with multiple payment methods.

**Ages 49-65:** Higher reliance on cash (30K) and credit cards (15K). Slower UPI adoption presents different opportunity.
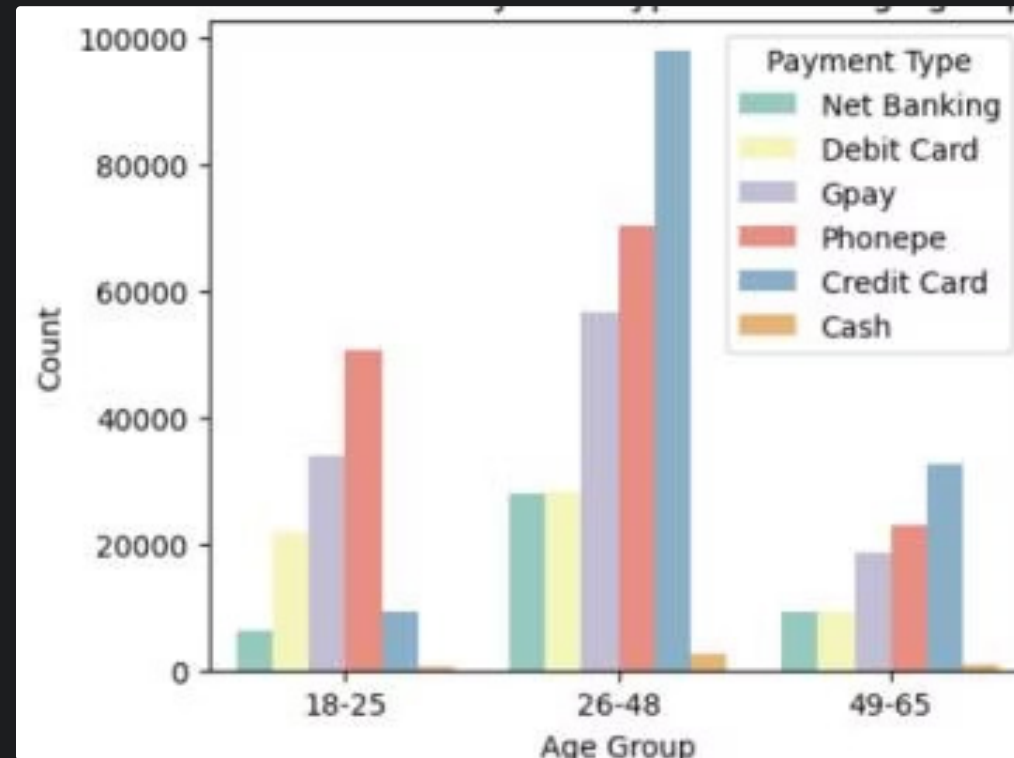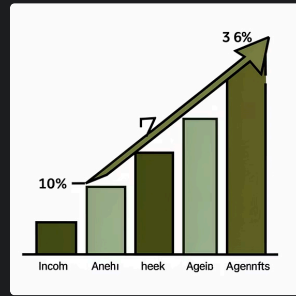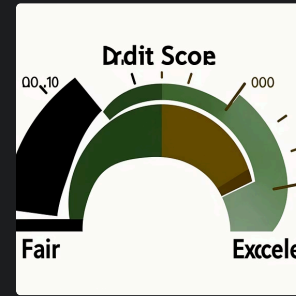
# Spending Patterns and Financial Profiles



## Purchase Categories

Fashion & apparel dominate youth spending (40K transactions). Electronics, beauty, and sports follow as key categories.



## Income Progression

Youth average ₹40K annually, middle-age earns ₹145K, while 49-65 segment reaches ₹255K peak earning years.



## Credit Maturity

Scores climb with age: 480 (youth), 600 (middle), 700 (older). Young segment needs credit-building tools.



## Lending Capacity

Credit limits scale dramatically: ₹1K (18-25), ₹20K (26-48), ₹40K (49-65). Youth faces access constraints.

# Strategic Target: Ages 18-25

## Market Size

25% of customer base with high lifetime value potential and low current penetration by competitors

## Digital Native Behavior

Dominant UPI usage (PhonePe, GPay) indicates preference for seamless mobile-integrated payment solutions

## Credit Building Need

Limited credit history (avg. score 480) and low limits (₹1K) create opportunity for starter products

## Income Profile

Entry-level earnings below ₹50K require affordable, accessible credit solutions with growth runway

## Competitive Gap

Major issuers focus on premium segments, leaving youth market underserved and ready for disruption

# A/B Testing Validates Market Readiness

## Testing Framework

**Control Group:** 40 existing cardholders

**Test Group:** 40 new youth-focused card users

**Duration:** 8-week campaign period

**Statistical rigor:** Effect size 0.4, significance $\alpha=0.05$, power 0.8

**Method:** Two-sample t-test for spend comparison

## Significant Results

**p-value < 0.05** — Statistically significant difference detected

**Null hypothesis rejected** — New card performance exceeds baseline

**Higher engagement:** Test group demonstrated increased transaction frequency and spend velocity

**User adoption:** Meaningful improvement in active usage patterns validates product-market fit

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# Launch Recommendations

## Youth-First Product

Design entry-level card for 18-25 segment with credit-building features and low income requirements

## UPI Integration

Partner with PhonePe and GPay for seamless in-app experiences and instant reward redemption

## Lifestyle Rewards

Cashback on fashion, electronics, and entertainment aligned with youth spending categories

## Data-Driven Iteration

Continue A/B testing for feature optimization using Python, Pandas, and statistical modeling tools

*Analysis powered by: Python • Pandas • NumPy • Seaborn • Matplotlib • SciPy • statsmodels*

## Summary

- Youth segment identified as a high-growth opportunity

- A/B testing confirmed product performance

- Data-driven insights delivered for strategic decision-making

## Thank You

Thank you for your valuable time.
Let's connect and collaborate.

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