



# Mitron Bank

## Product Strategy Analyst Challenge

-Presented by Devesh Singh



# Today's Agenda

01



Problem  
Statement

Dashboard  
Go Through



02

Key  
Findings

03



Few  
Suggestions

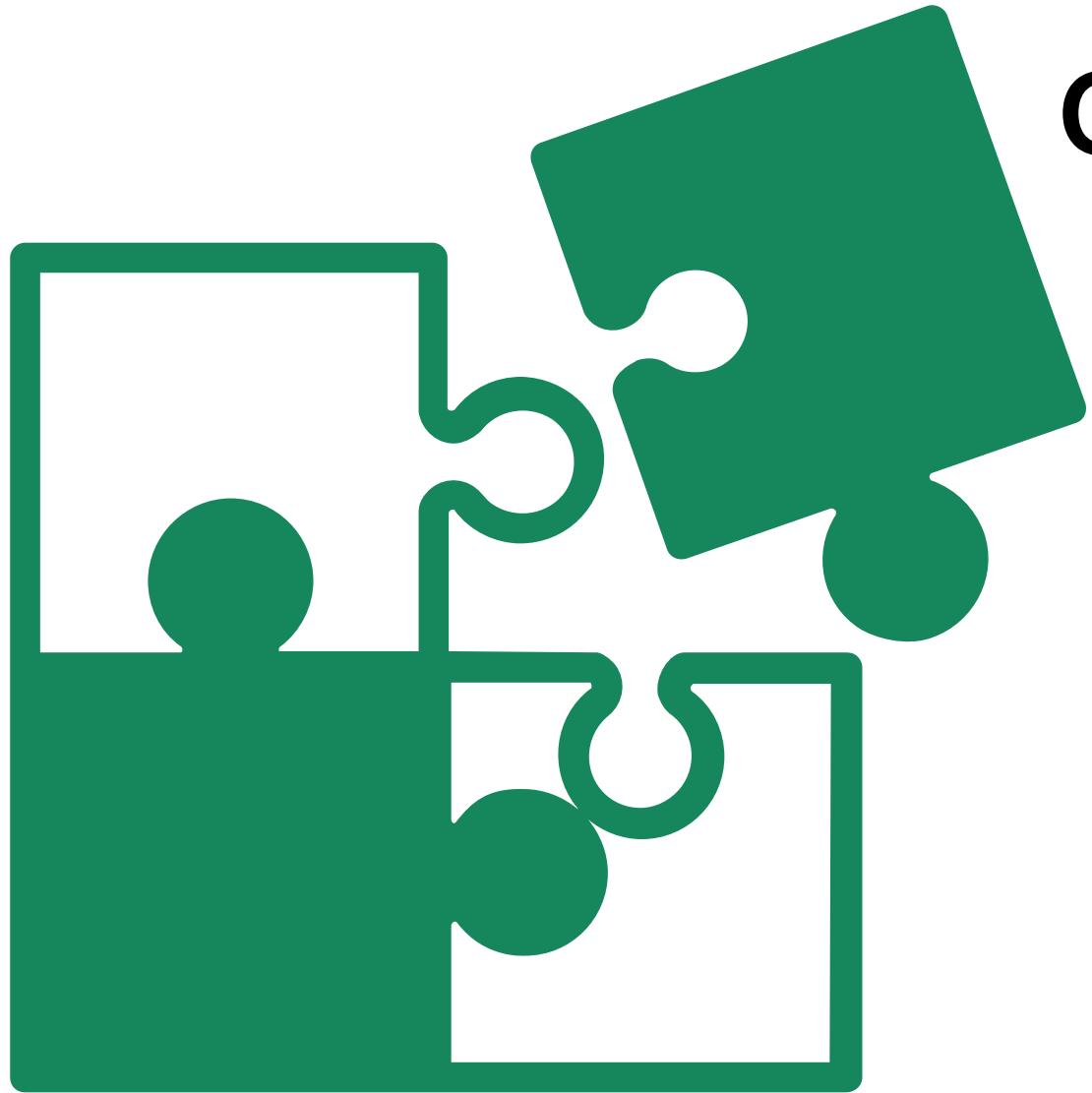


04



# Problem Statement

**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.

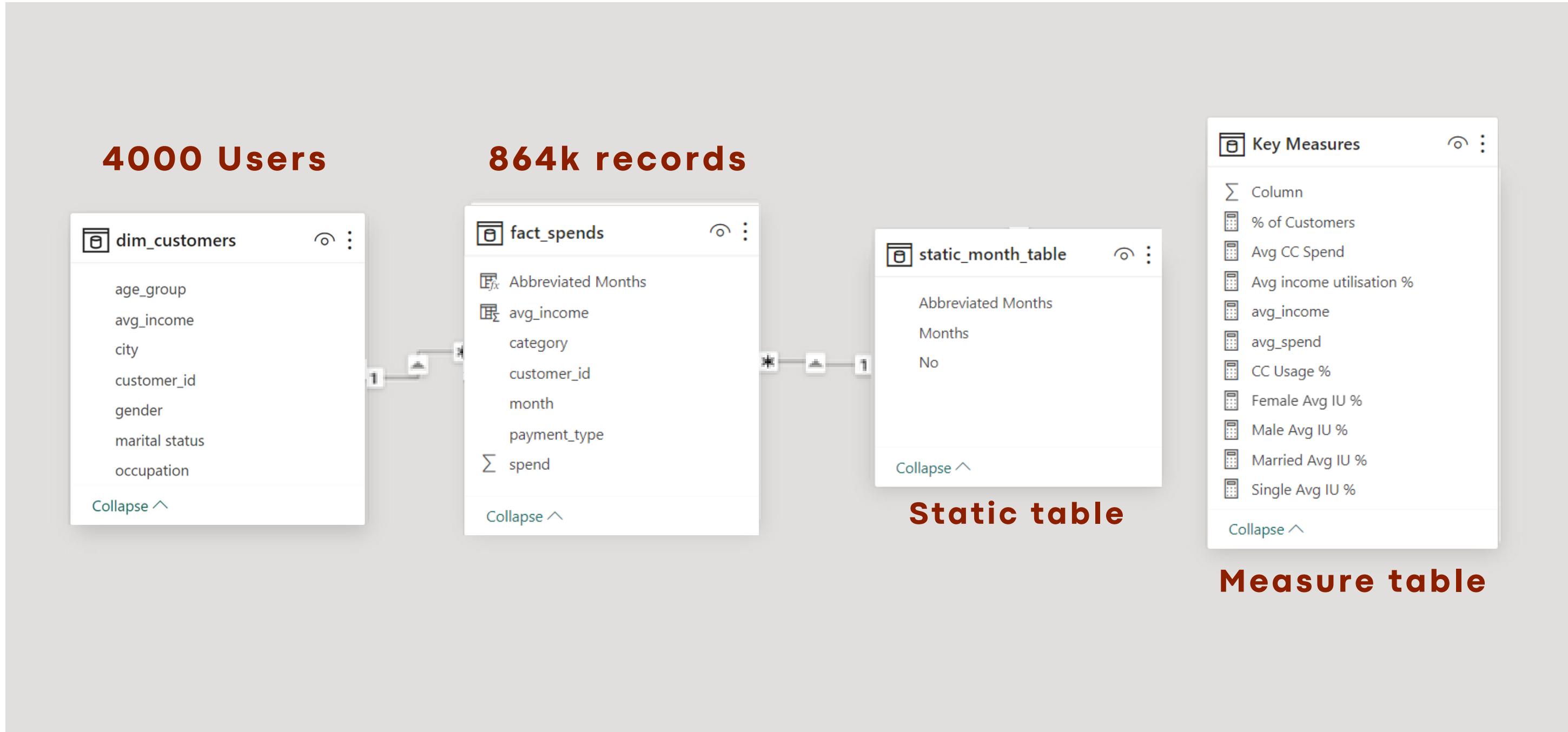


## Objective :

**Peter Pandey** is a data analyst at AtliQ Data Services and was asked by his manager to take over this project. His role is to analyse the provided sample data and report key findings to the strategy team of Mitron Bank. This analysis is expected to guide them in tailoring the credit cards to customer needs and market trends.



# Resources Provide





## Income table

Customer	May	Jun	Jul	Aug	Sep	Oct	Total
A	4	4	4	4	4	4	24
B	2	2	2	2	2	2	12

**Monthly Income**

$$\frac{(24 + 12)}{6} = 6$$

## Spend table

Customer	May	Jun	Jul	Aug	Sep	Oct	Total
A	2	2	3	0	4	2	13
B	1	0	0	1	3	0	5

**Monthly Spend**

$$\frac{(13 + 5)}{6} = 3$$

$$\text{Income Utilisation \%} = \frac{\text{Monthly Spend} * 100}{\text{Monthly Income}} = \frac{(3 * 100)}{6} = 50\%$$

$$\text{Credit Card Usage \%} = \frac{\text{Spend by CC} * 100}{\text{Monthly Spend}}$$

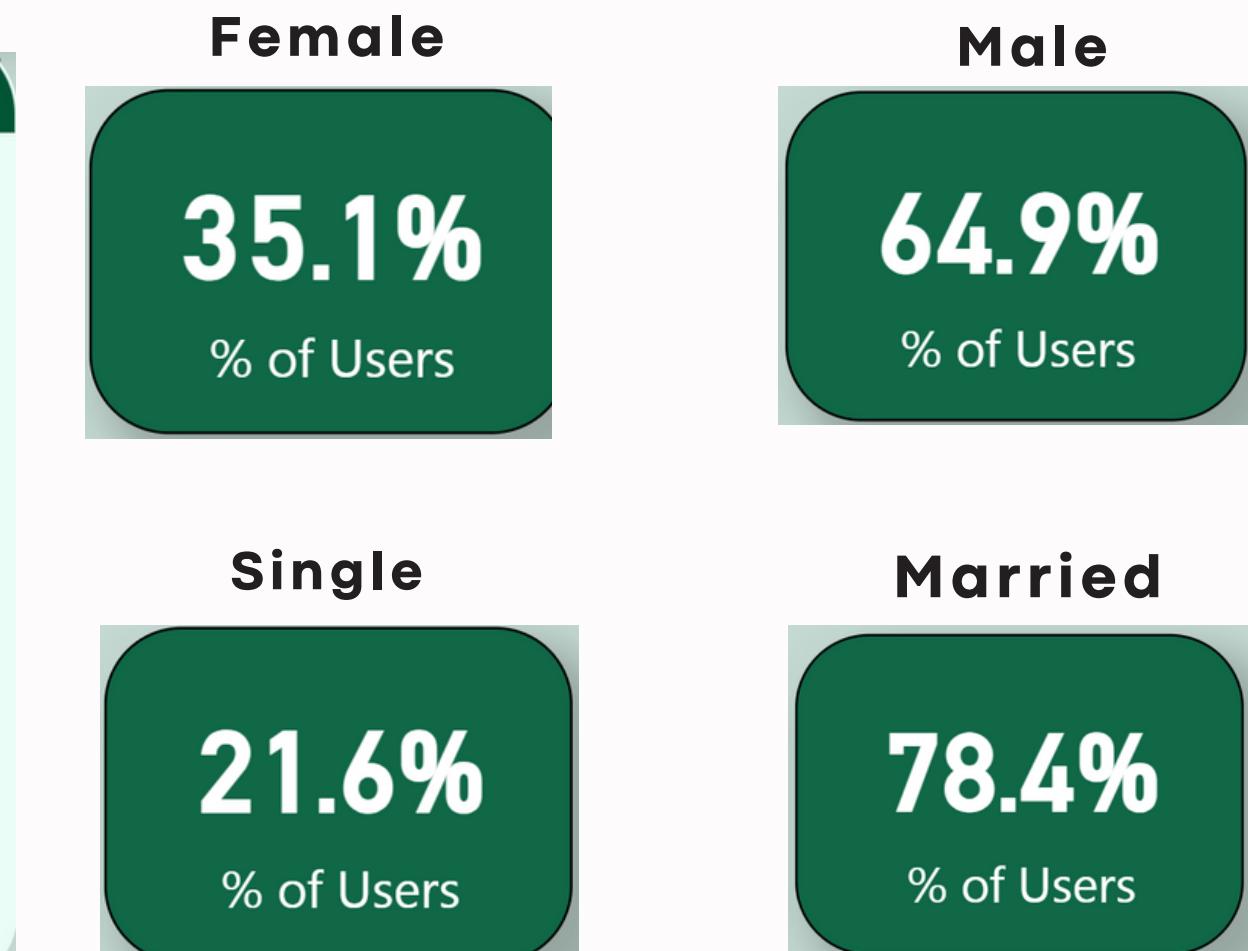
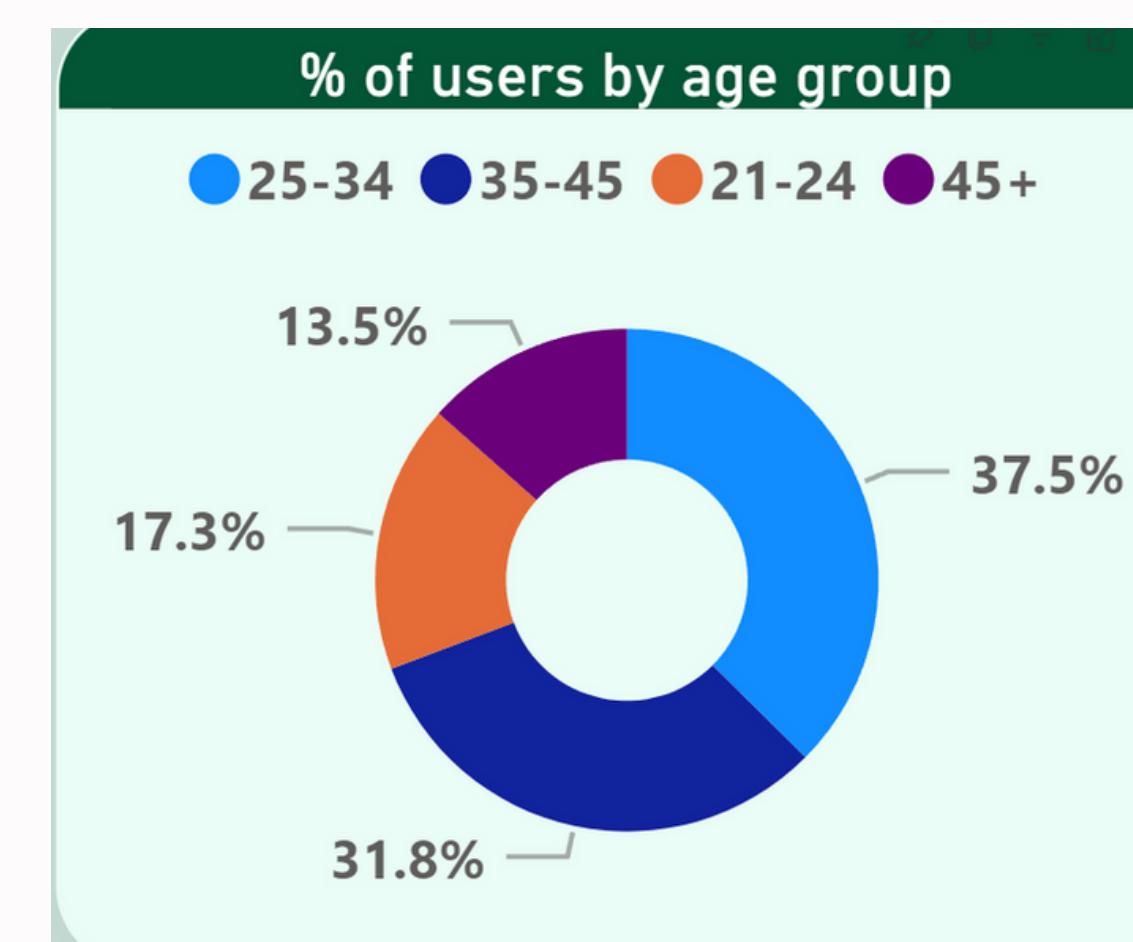
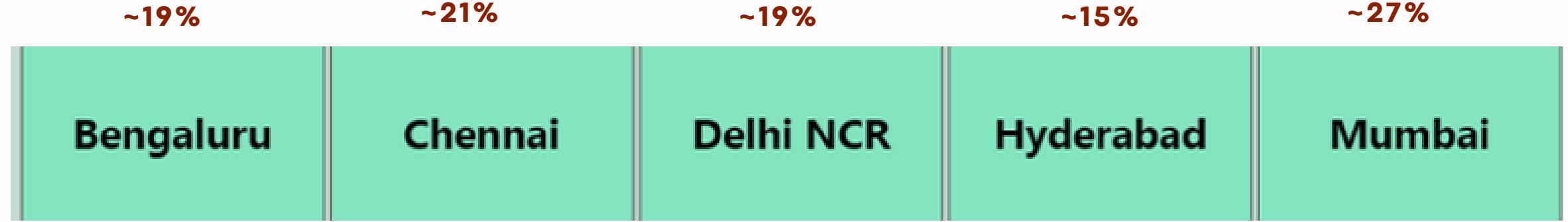
# Demographic and Income Utilisation Analysis





# About Dataset

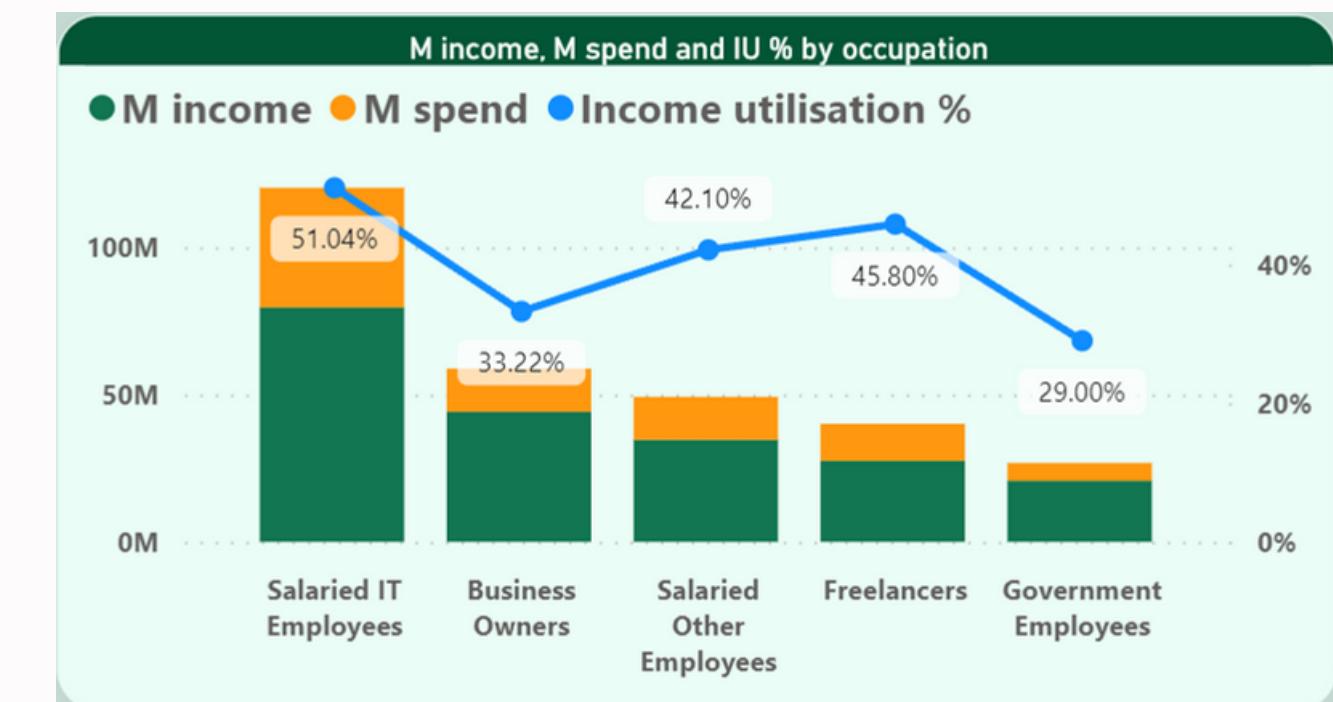
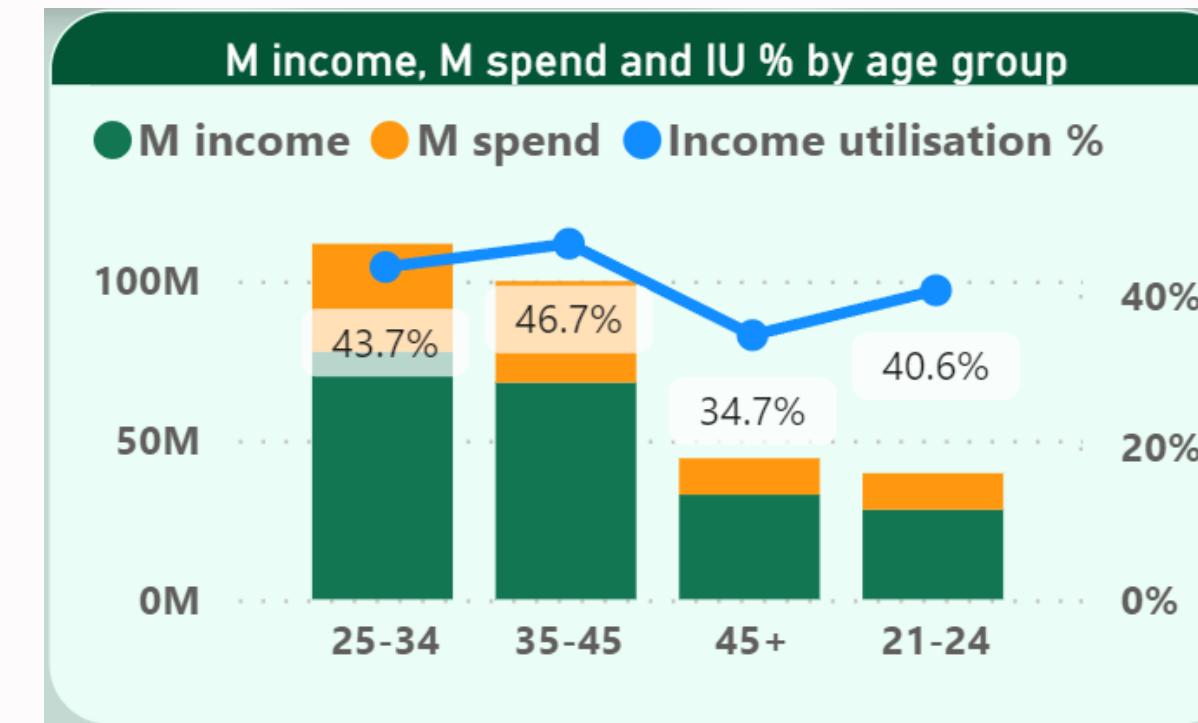
Demographic analysis based on gender, marital status, age agroup, occupation and city



# Income Utilisation

Analysis of income utilisation by customer from different cities, occupation and age group

Income Utilisation % = (Monthly Spend \*100)/Monthly Income



## Findings



It is highest among youth.

IU% : 35-45 > 25-34 > 21-24

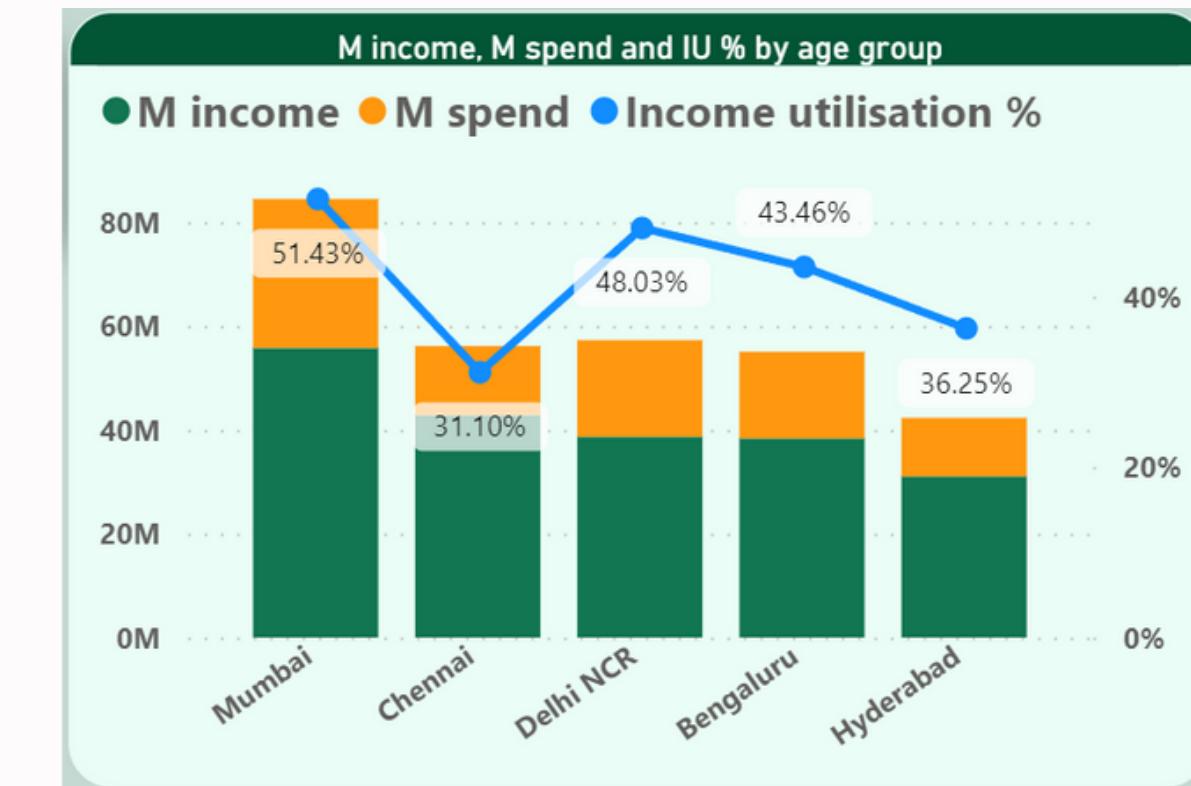
Monthly spend: male > female, married > single



Salaried employee > freelancers > Business owners > Government employee.



Top 3 regions: Mumbai > Delhi NCR > Bangalore > Hyderabad > Chennai



# Findings

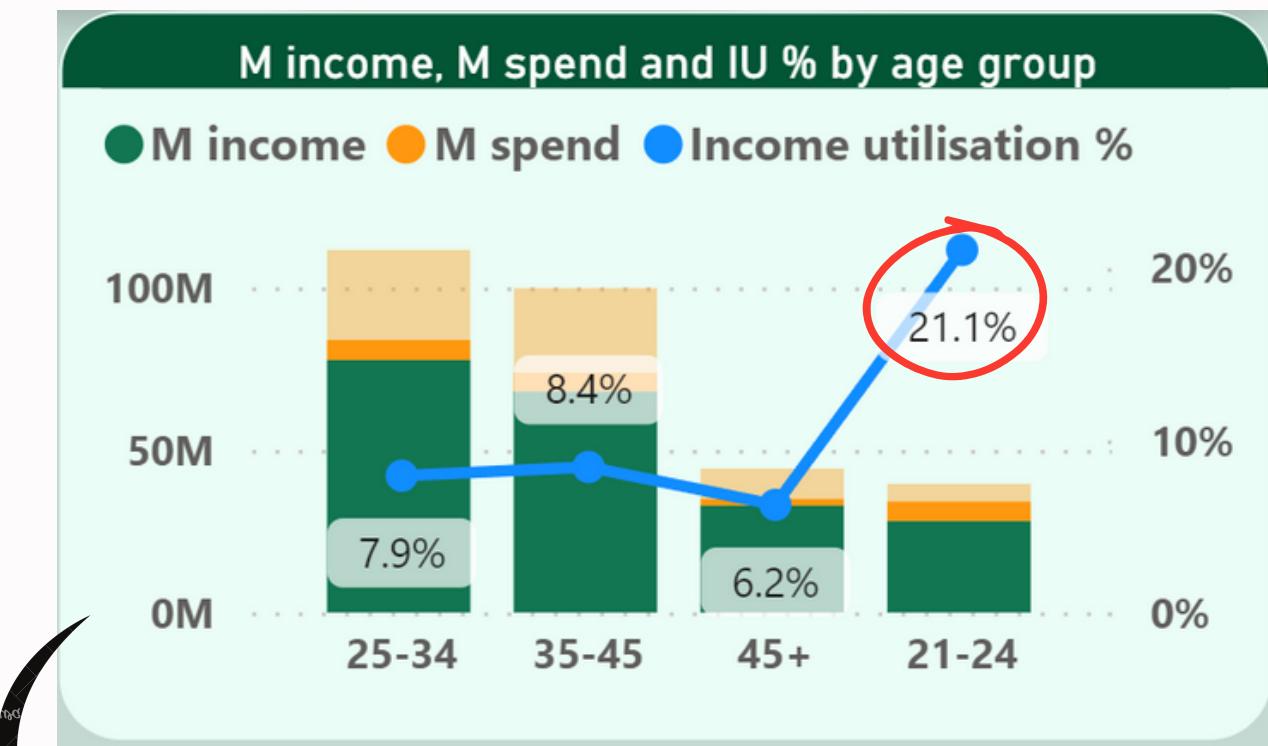


**Income utilisation is highest in these 5 categories among all users.**

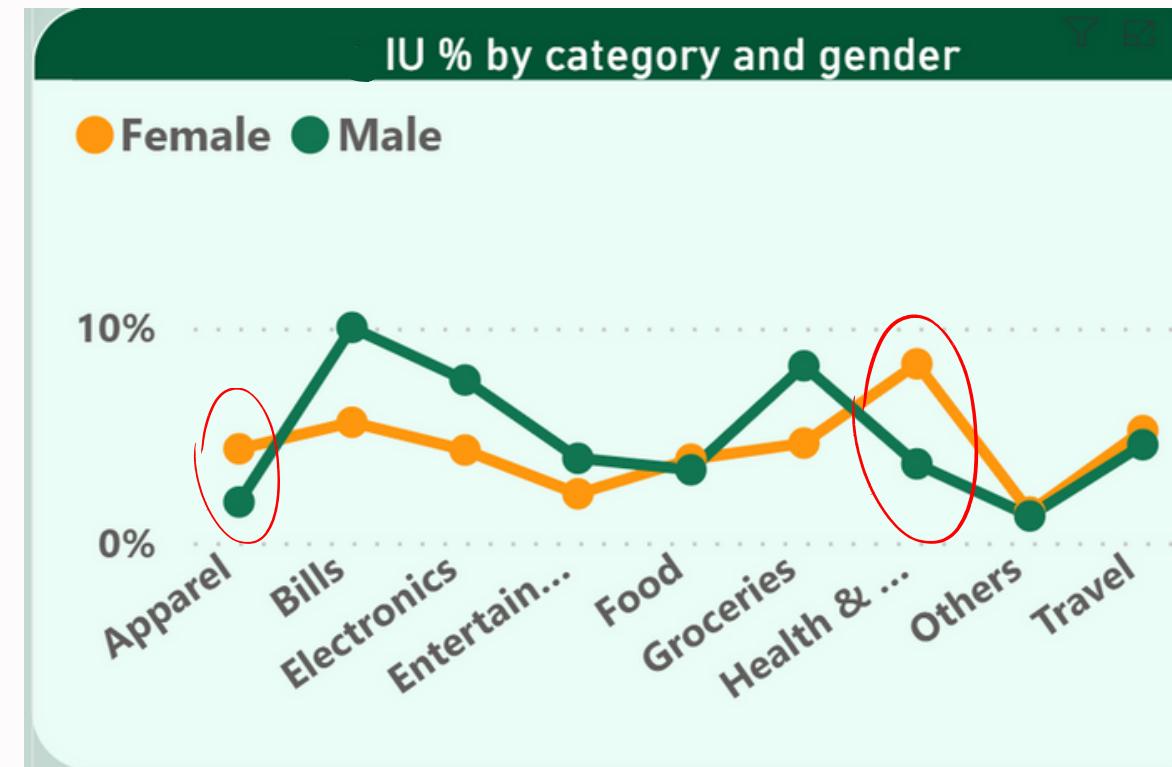
**Bill > Groceries > Electronics > Health & Wellness > Travel**

Category	IU % in different categories						Total
	May	Jun	Jul	Aug	Sep	Oct	
Bills	1.09%	1.27%	1.28%	1.61%	1.85%	1.37%	8.46%
Groceries	0.89%	1.04%	1.06%	1.32%	1.52%	1.13%	6.96%
Electronics	0.82%	0.96%	0.98%	1.22%	1.40%	1.03%	6.42%
Health & Wellness	0.68%	0.79%	0.81%	1.00%	1.16%	0.86%	5.29%
Travel	0.62%	0.71%	0.72%	0.91%	1.05%	0.77%	4.78%
Food	0.46%	0.53%	0.54%	0.68%	0.77%	0.57%	3.55%
Entertainment	0.43%	0.50%	0.51%	0.63%	0.73%	0.54%	3.33%
Apparel	0.35%	0.41%	0.42%	0.52%	0.60%	0.44%	2.75%
Others	0.17%	0.19%	0.20%	0.24%	0.28%	0.21%	1.29%
Total	5.50%	6.40%	6.50%	8.14%	9.35%	6.94%	42.82%

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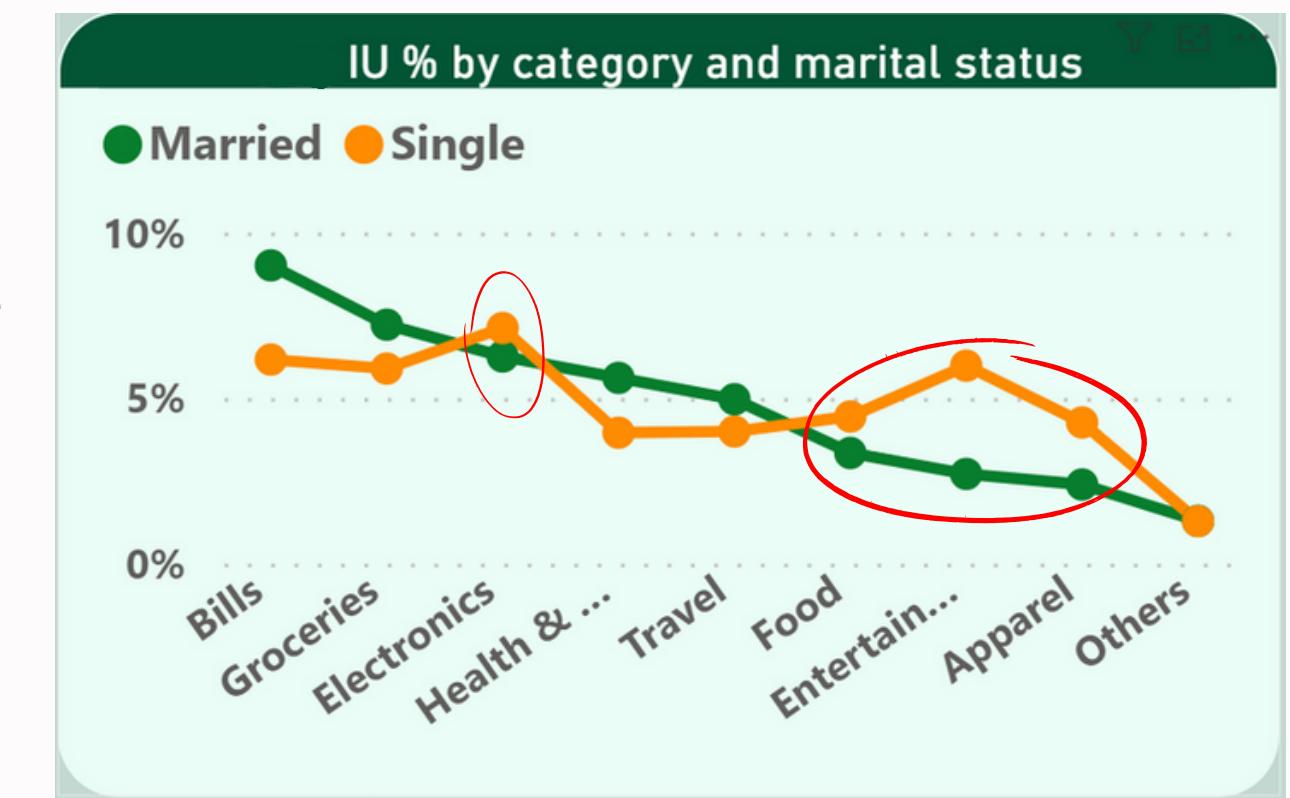


Youths aged 21-24 tend to spend more on food, entertainment, and apparel, emphasizing social experiences, self-expression, and staying fashionable during a phase of personal exploration.



Apparel and Health & Wellness are two categories where female are dominating male.

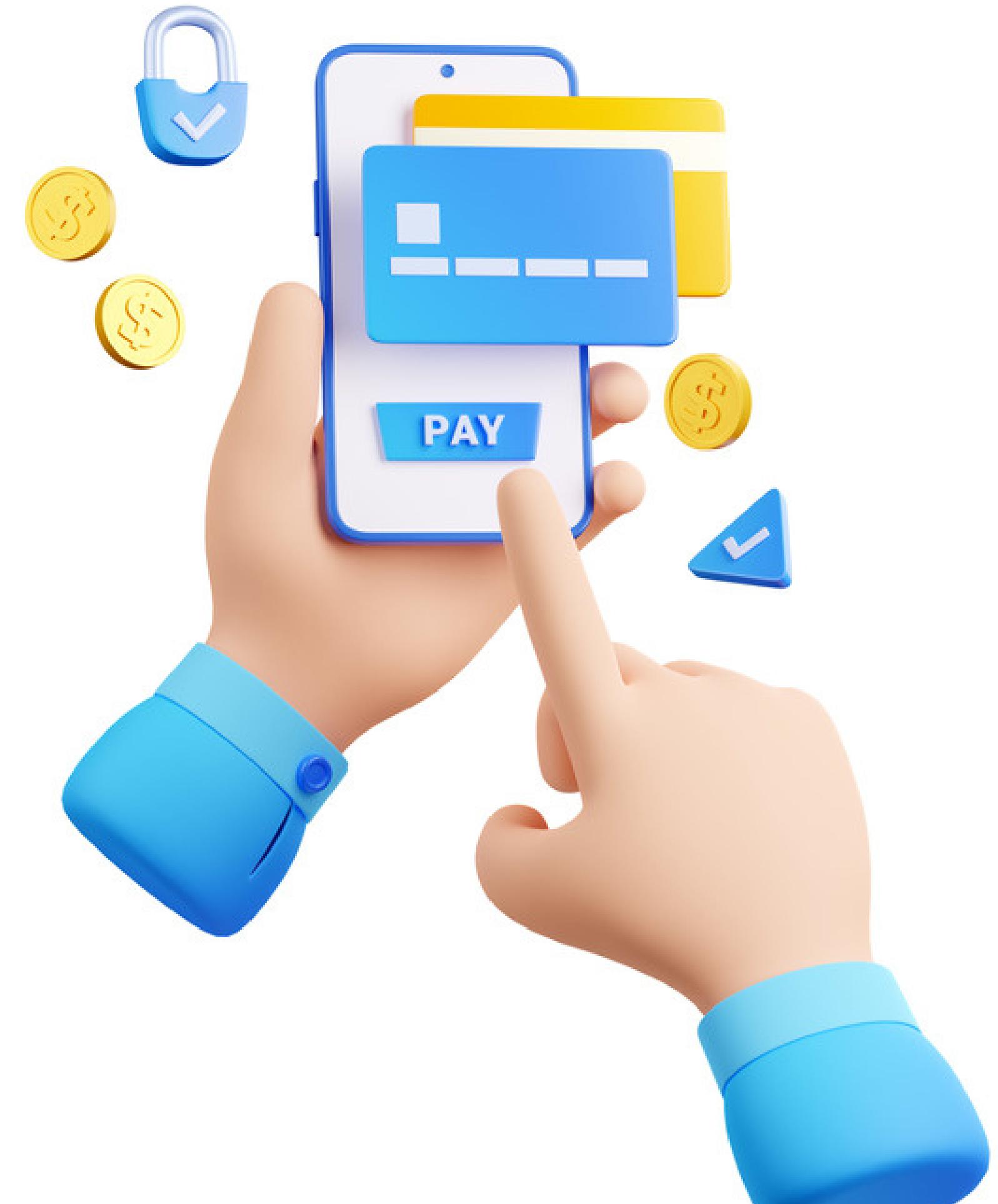
Highest expenditure of females is in Health & Wellness category.



Entertainment, Apparel, Food and Electronic are the four categories where avg IU% is more by unmarried people.

So, if unmarried people are the target users then we can't ignore these four categories.

# Credit Card and other payment-mode Usage Analysis



# Credit Card Utilisation

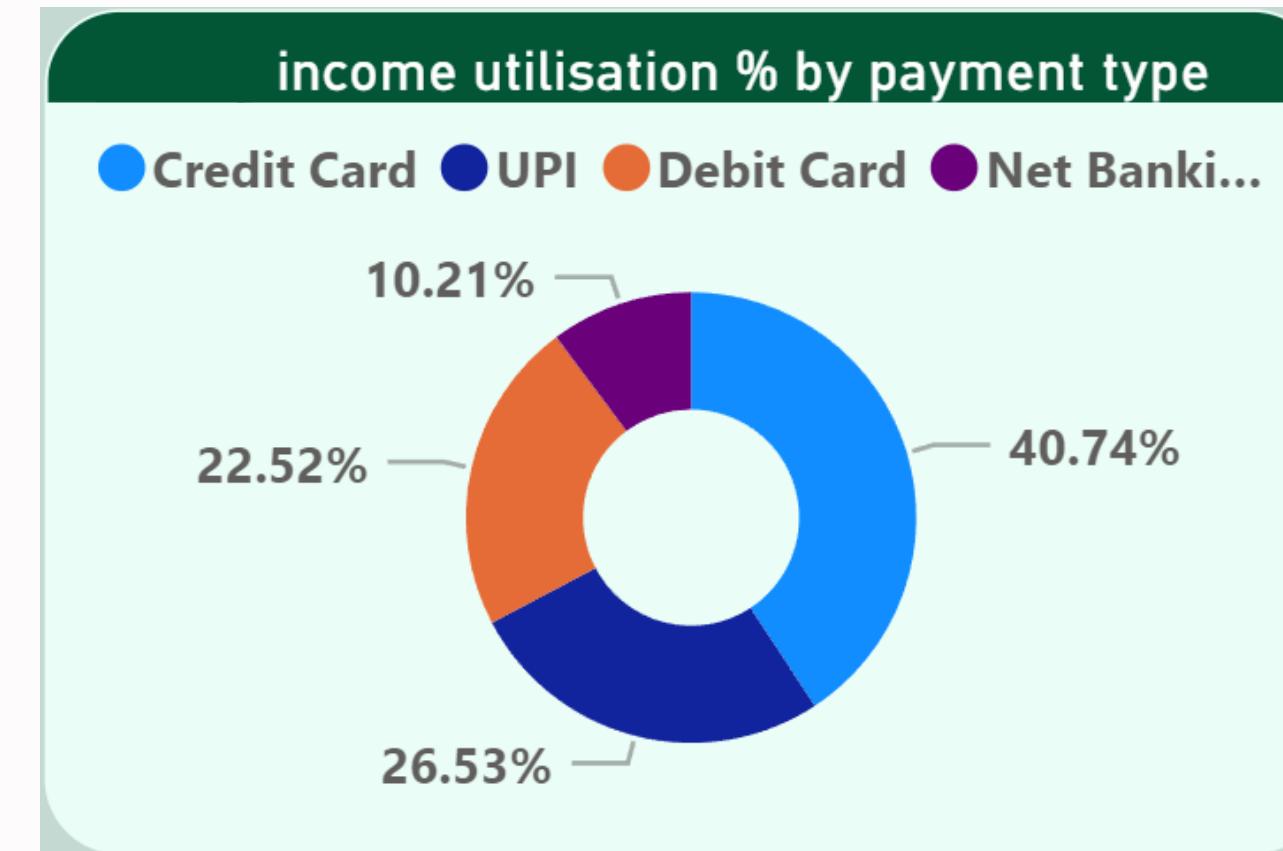
Analysis of income utilisation by customer from different cities, occupation and age group

## Findings

The CC usage % among male-female, married-unmarried, different cities and months is almost same with a minute difference.

But we need to look deeper to find out our potential users.

$$\text{CC Usage \%} = (\text{Spend by CC} * 100) / \text{Monthly Spend}$$

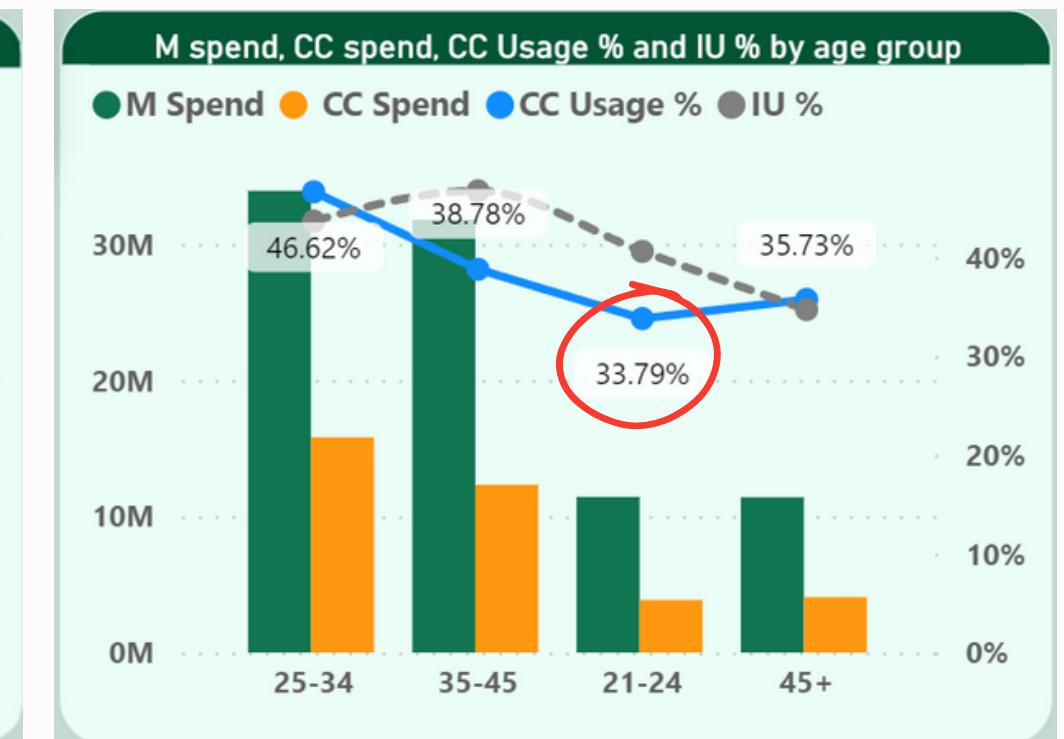
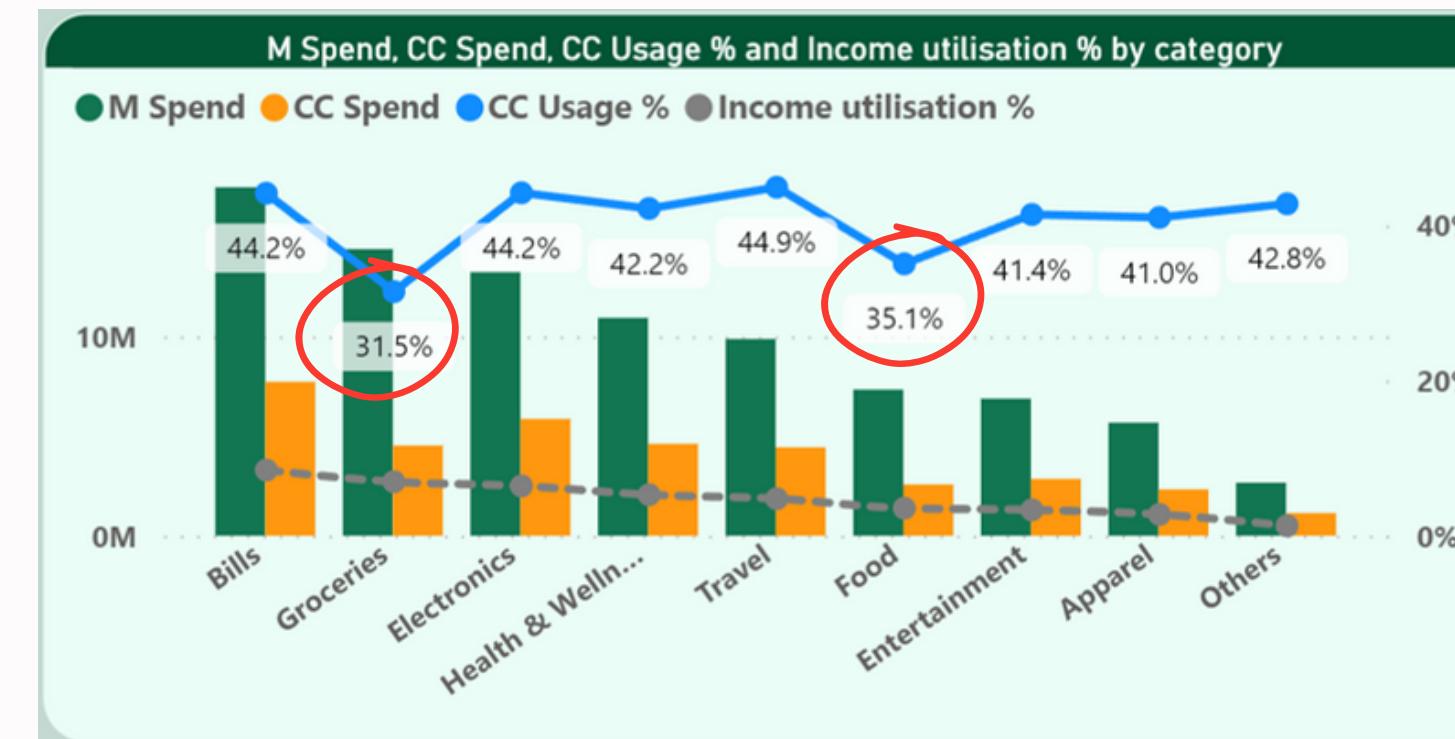


CC Usage % by gender, marital status, month, and city	
Female	Male
41.5%	40.4%

CC Usage % by gender, marital status, month, and city	
Married	Single
41.1%	39.3%

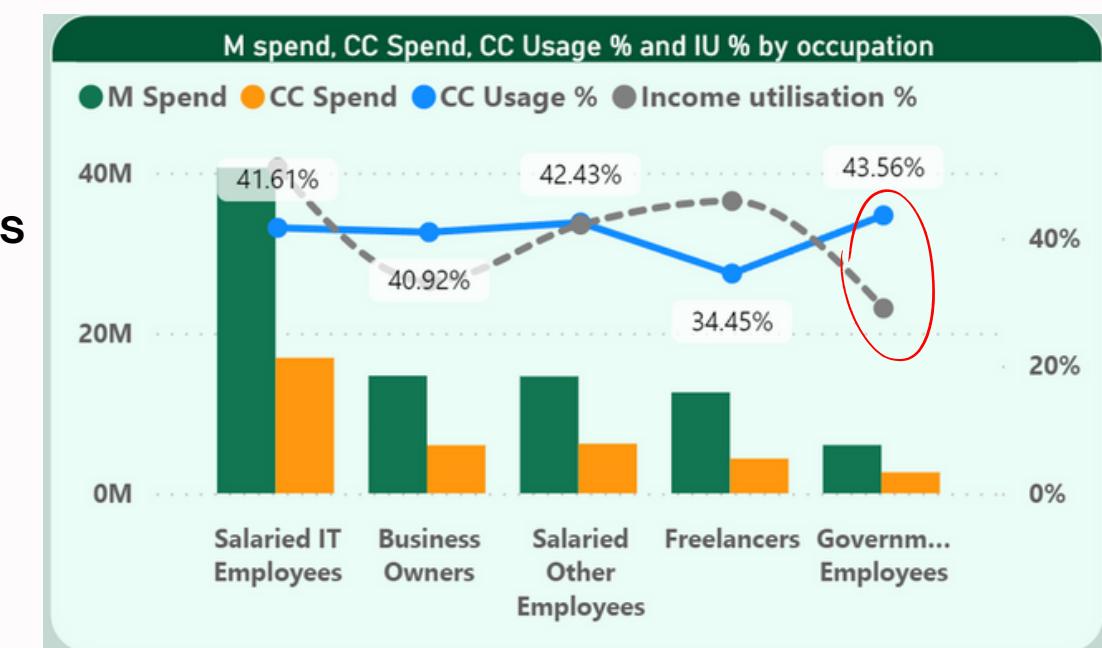
CC Usage % by gender, marital status, month, and city		
Chennai	Hyderabad	Bengaluru
41.5%	40.8%	
41.1%	40.4%	40.2%

CC Usage % by gender, marital status, month, and city			
Sep	Oct	Aug	Jul
40.8%	40.7%		
40.7%	40.7%	40.7%	40.7%

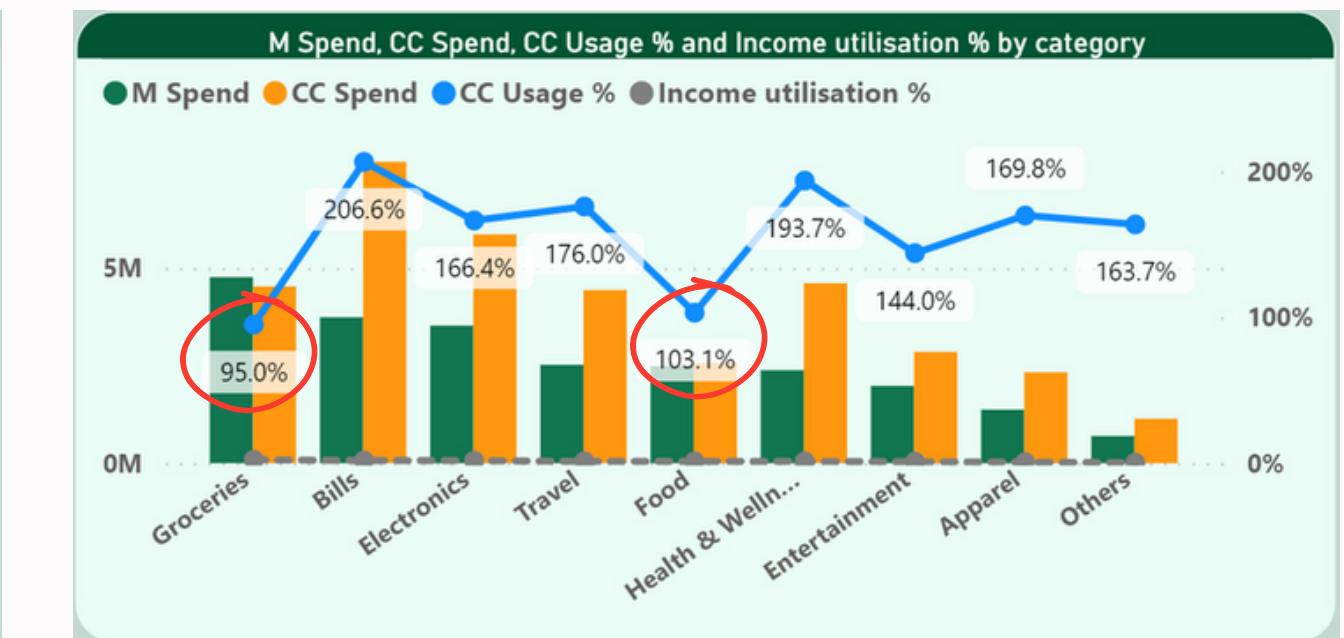
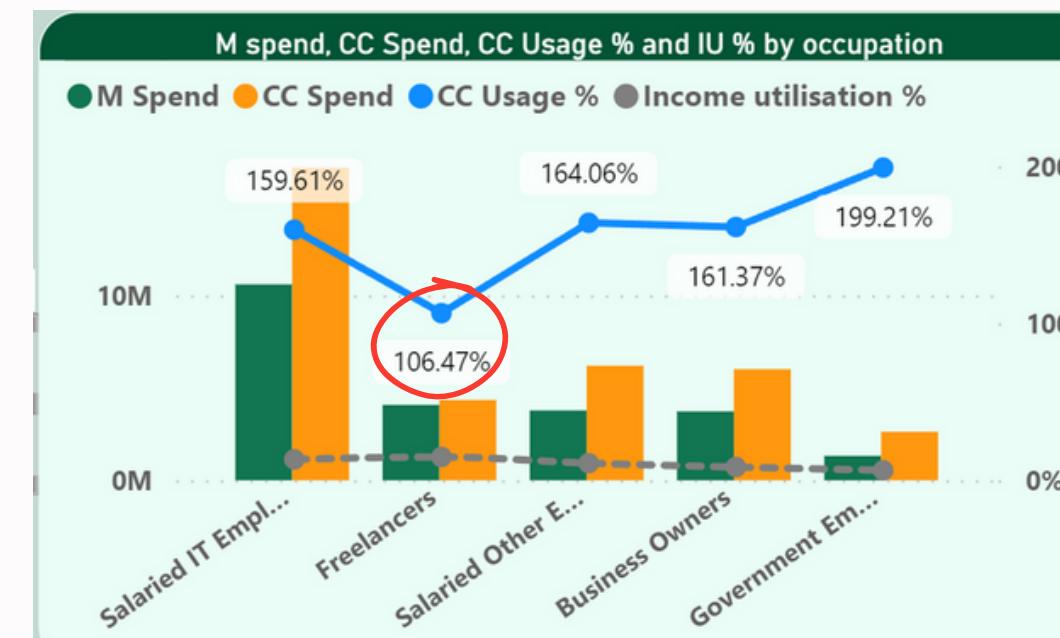


## Findings

- In every city, Bills, Electronic, Health & wellness, and Travel are 4 categories in which credit card is mostly used.
- In groceries and food items people do not prefer credit card.
- CC Usage % is highest among 25-34 age group and lowest among 21-24.
- Although freelancer has very good IU % but their CC usage % is very less
- Although IU % among government employee is lowest but CC usage % is highest which clearly indicates that they are one of our potential customers and we can't ignore them.

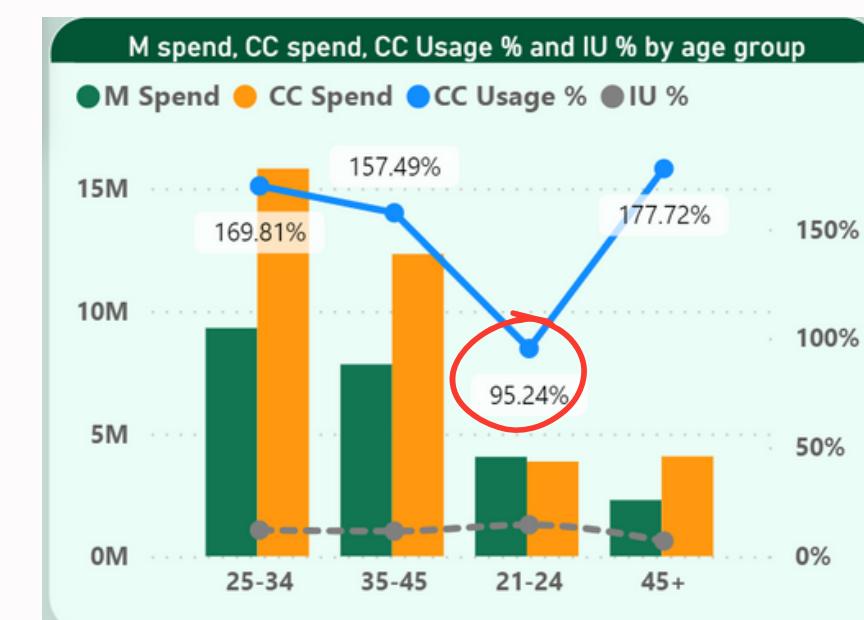
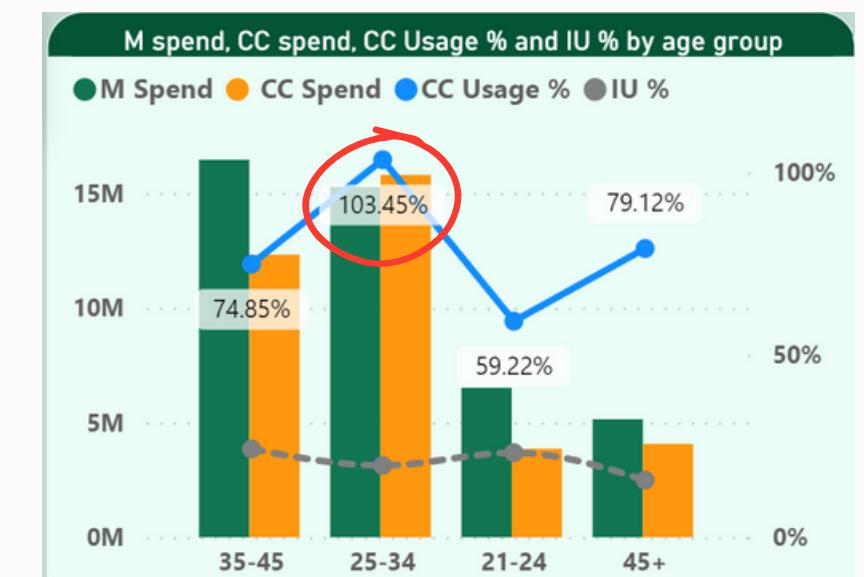


# UPI v/s Credit Card



## Findings

- CC usage is less than UPI usage among 21-24 age group.
- CC usage is more than (Debit Card + UPI) among 25-34 age group. They also contribute to 37.5% of total customers.
- CC usage % is less for Groceries and Food items, and UPI is taking that place.
- Among freelancers the usage of UPI is almost touching the mark of Credit Card.



# FEW RECOMMENDATIONS



**City**

In the initial phase, Mitron Bank should focus only on three cities:

Mumbai, Delhi NCR, and Bangalore, if they don't have tough competition there.



**Occupation**

Except for freelancers, CC usage is good among all occupations.

Government employees emerged as the top CC users even though their income utilisation % is low.

So if the company could include the benefits related to government schemes, it could convert these potential customers into lifelong customers.



**Freelancers**

Insights show that freelancers hold the 2nd position in terms of IU%, but they stand at the end of the queue when it comes to CC usage.

In my opinion, the main reason behind this is their improper payment cycle.

Increase credit card usage among freelancers by offering tailored rewards, flexible payment terms, and lower transaction fees.



**Female**

It is seen that women spend the highest percentage of their money on maintaining health and wellness.

So the company can collaborate with some online doctor consultation services, such as Practo, Apollo 24 etc. to provide benefits to female users.

It can also provide some cashback offer on medicine purchases.

# FEW RECOMMENDATIONS



## Age group

CC usage is lowest among youth in the age group of 21–24 due to the feasibility of UPI.

These people spend 50% of their money on food, entertainment, and apparel.

To attract them, the company can collaborate with other companies like Swiggy and Zomato to provide discount vouchers.

It can also provide redeem points, so users can use them as movie tickets. For apparel, it can provide a cashback offer.

It can also tailor its annual fees or interest charges to give them more faith.



## Spend Category

The IU % is highest in these 5 categories Bills > Groceries > Electronics > Health & Wellness > Travel. But CC is not leading player in grocery category due to UPI feasibility.

Since overall second highest expenditure is in grocery category, that's why company can't ignore it.

So if the company's focus on grocery market then they have to come up with better rewards, cashback offers, and discount scheme.

It is observed that during travel journey, people do most of their payment through credit card. Company can offer discount on tickets, and free lounge service to its premium customers.



Credit Card  
on  
UPI



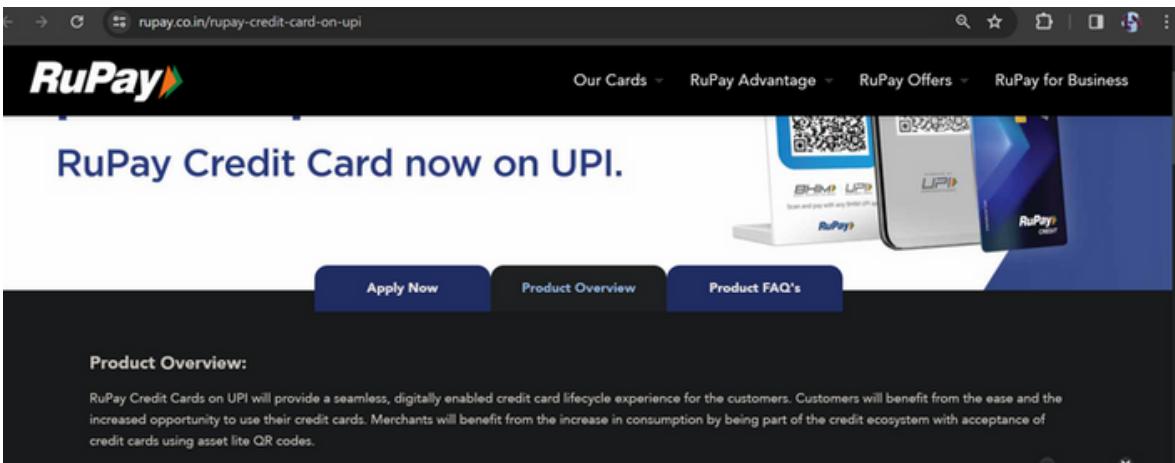
# Circular launched by Reserve Bank of India regarding Credit Cards usage on UPI.

National Payments Corporation of India  
<https://www.npci.org.in> › PDF › npci › Operati... PDF

## Operating circular for RuPay Credit Cards linked to UPI ✓

4 Oct 2022 — RBI has approved linking of **RuPay Credit Cards** to UPI, which will provide a seamless, digitally enabled credit card lifecycle experience for ...

4 pages



The screenshot shows the RuPay website with a banner announcing the linking of RuPay Credit Cards to UPI. It includes links for 'Apply Now', 'Product Overview', and 'Product FAQ's'. Below the banner, there is a 'Product Overview' section with a brief description of the benefits.

NPCI/2022-23/RuPay/019 4<sup>th</sup> October, 2022

To,  
All Member Banks – RuPay & UPI

Dear Sir/Madam,

**Subject: Operating circular for RuPay Credit Cards linked to UPI**

The credit card industry has witnessed significant growth in the last few years in the country; spends have grown by ~30%, while the transactions have grown by ~15% CAGR in the last 3 years. However, Indian credit card industry is still underpenetrated (<-6% of the Indian population). The pandemic has given a stimulus to digital transactions in the country, this has led to higher credit card issuance and usage. Issuers are keen to expand credit cards to the new users, while acquirers are looking forward enabling card acceptance across merchants in India that are not part of the credit ecosystem.

RuPay Credit Card is operational for last 4 years and all major banks (private and public sector) are enabled and are issuing incremental cards for both commercial and retail segments.

RBI has approved linking of RuPay Credit Cards to UPI, which will provide a seamless, digitally enabled credit card lifecycle experience for the customers. Customers will benefit from the ease and the increased opportunity to use their credit cards. Merchants will benefit from the increase in consumption by being part of the credit ecosystem with acceptance of credit cards using asset lite QR codes. Credit cards can now be linked to a Virtual Payment Address (VPA) i.e., UPI ID (credit card number cannot be part of this), thus directly enabling safe, and secure payment transactions.

To enable linking of credit card on UPI, the ecosystem will have to enhance their tech platforms. While the issuers will enable linking of credit card accounts at customer's end, the acquirers will enable the acceptance of linked credit card at merchant's end. The initial phase of operationalisation will provide learnings and critical inputs, that can be used to fine tune the proposition in later phases to scale up the usage. NPCI shall continue to refine the rules and processes based on market feedback.

## MY SUGGESTION

According to this circular, the RBI had allowed the use of UPI on Rupay Credit cards.

So, in my recommendation, the company should also launch the Rupay Credit Card. This will attract all the UPI users, because here they will also have the chances of getting rewards, cashback offers, etc. along with the feasibility like it is on UPI.

Using a credit card on UPI will enhances grocery shopping by providing quick-secure transactions, potential rewards, and digital record-keeping for better budget management. It can also offers the flexibility of credit limits and EMI options for larger purchases.

# Virtual Credit Card





# Banks are introducing virtual Rupay credit card for their users.

The screenshot shows a news article from [economictimes.indiatimes.com/wealth/save/how-to-use-credit-card-for-upi-transactions-if-you-have-visa-or-mastercard-credit-card](https://economictimes.indiatimes.com/wealth/save/how-to-use-credit-card-for-upi-transactions-if-you-have-visa-or-mastercard-credit-card). The article is by Neelanji Das, ET Online, last updated on Dec 18, 2023, at 02:13:56 PM IST. It features a story outline about using Visa or Mastercard credit cards for UPI transactions via RuPay. The sidebar includes advertisements for IIM Indore's EPGP program and the French Ministry for Europe and Foreign Affairs.

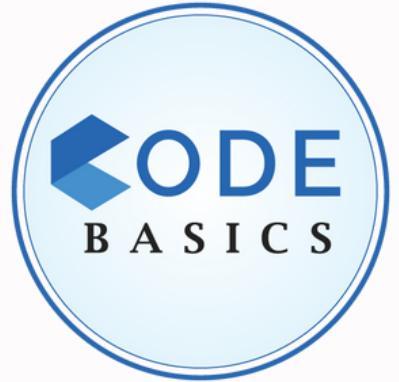
## MY SUGGESTION

As above news article shows, multiple banks are introducing virtual credit cards due to the rise of UPI users.

So in my opinion, Mitron Bank should also launch a virtual Rupay Credit Card; it will facilitate the credit card users of different networks such as Visa, Mastercard, and American Express.

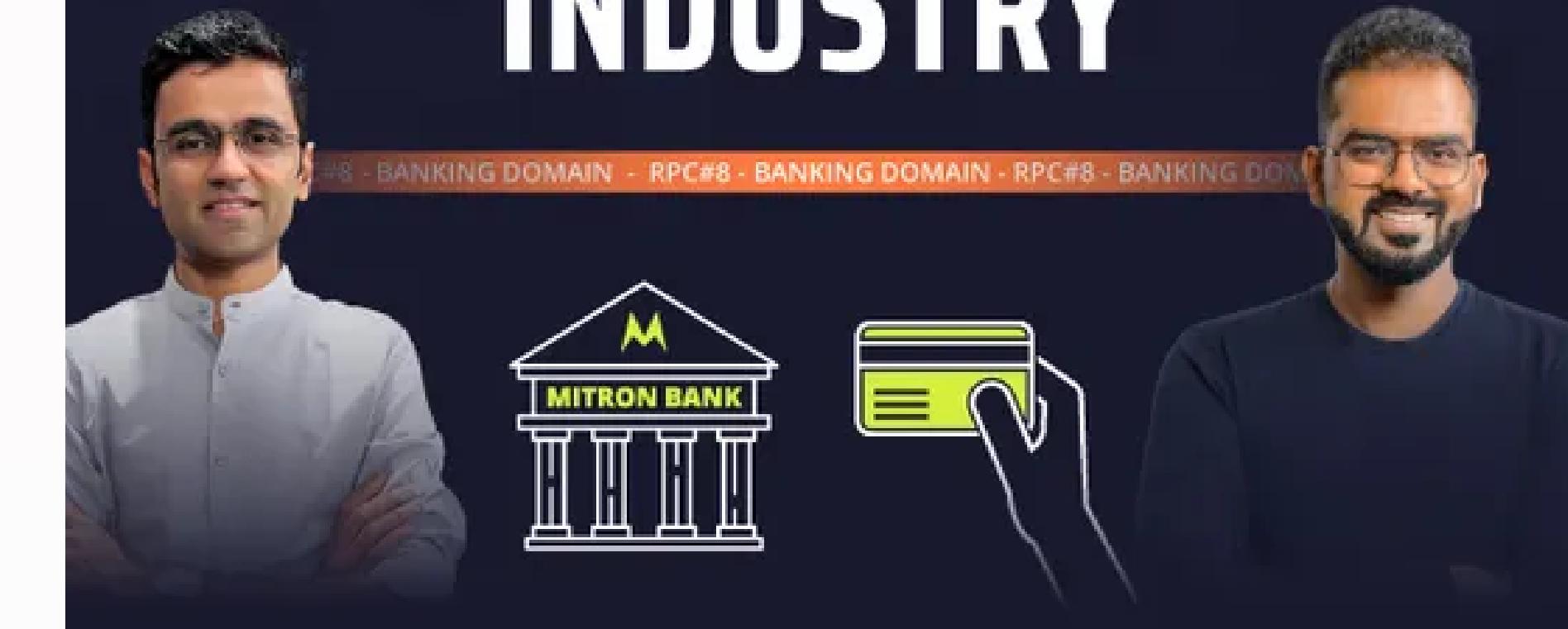
Other than that, it could be a lucrative offer for the people of the new generation who don't want to carry cards with them due to security issues.

**Date: 18 Dec, 2023**  
**News Article**  
by  
**Economic Times**



Codebasics

# THANK YOU



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