



# Credit Card Transaction & Customer Risk Analytics

Strategic insights for product and risk managers at a digital bank

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# Transaction Performance Overview

13M

**Total Transactions**

Processed across all channels

\$639..

**Transaction Value**

Total volume processed

202K

**Error Transactions**

Approximately 1.5% error rate

## Key Action

Enhance system validations and payment gateway reliability. Deploy automated reconciliation with real-time error alerts.

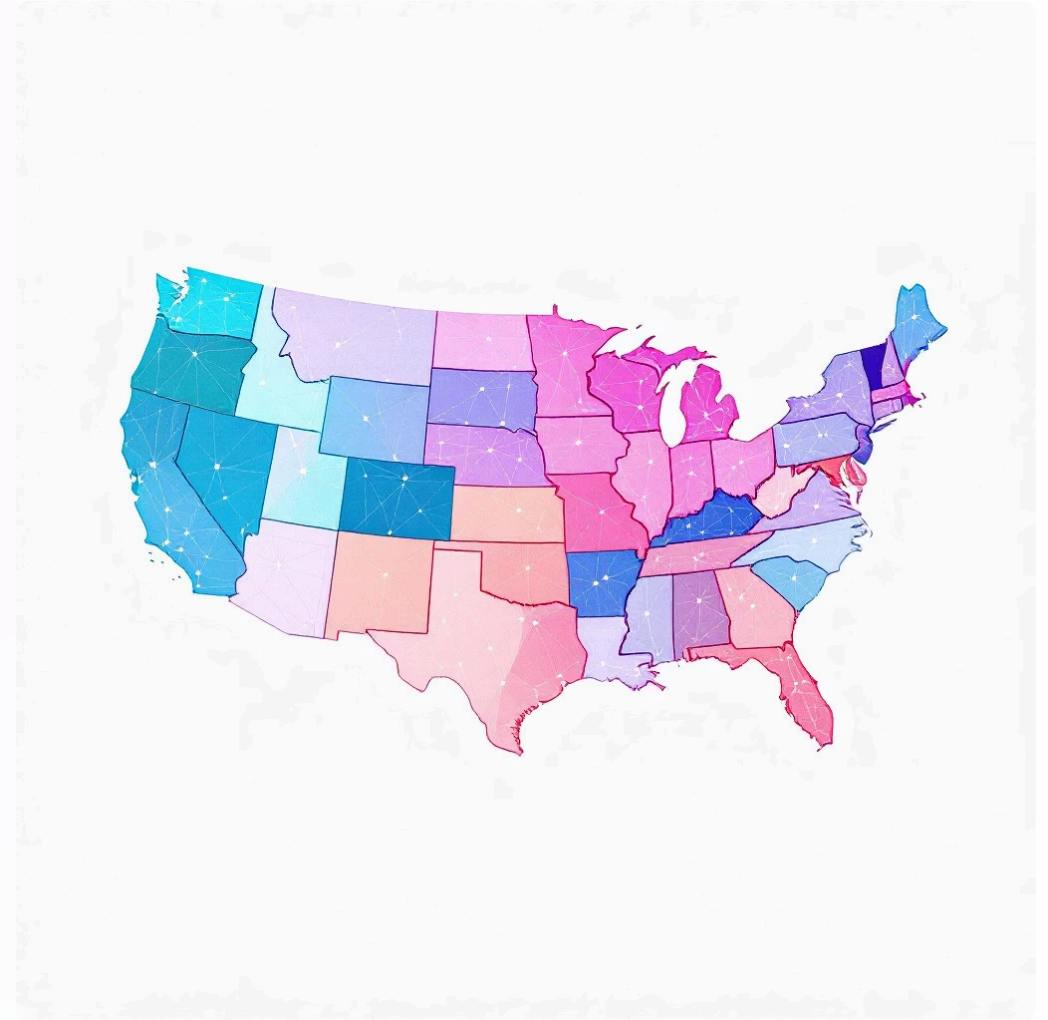
# Regional Error Concentration

## High-Risk States

California, Texas, and New York show significantly elevated error transaction rates

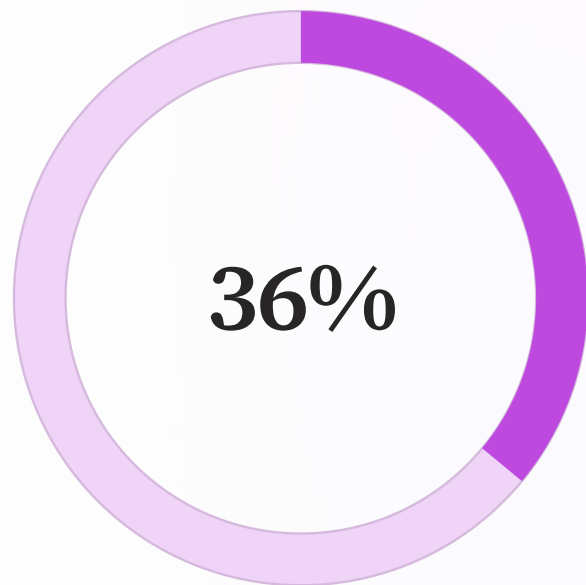
## Root Causes

- Merchant integration gaps
- Network reliability issues
- High transaction volumes



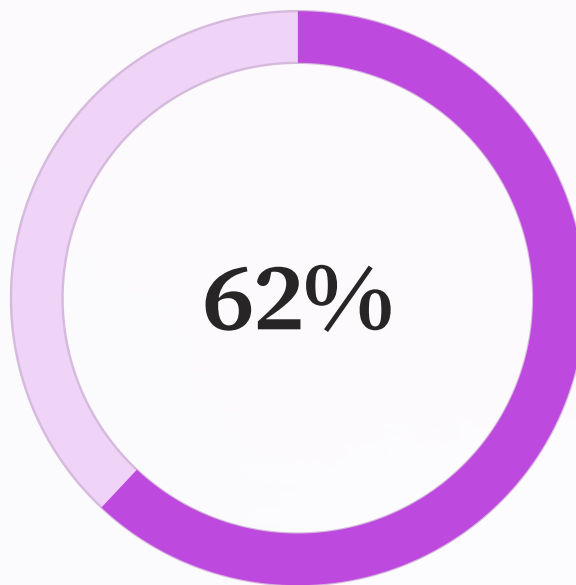
**Recommendation:** Conduct regional merchant reviews and strengthen monitoring infrastructure in high-volume states

# Customer Demographics Drive Performance



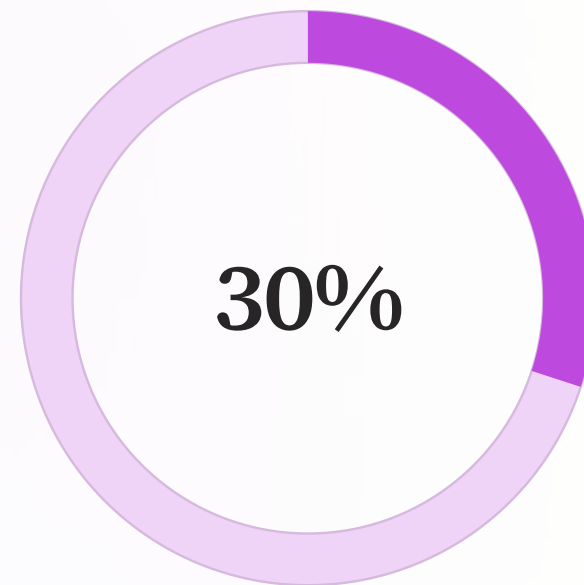
## Middle-Aged Users

Ages 30-49 dominate customer base



## Debit Card Usage

Primary transaction method



## Credit Card Share

Higher profit margins

**Strategic Focus:** Middle-aged customers (30-49) contribute most to transaction value—optimize campaigns and credit offerings for this segment

# Age-Based Financial Behavior Patterns



## Youth Strategy

Launch starter credit programs with credit-building tools and educational content

## Senior Strategy

Offer premium low-risk cards with exclusive loyalty rewards and concierge services





# Credit Score: The Performance Indicator

## 700-800 Range

Highest avg. transactions per customer

Strong financial discipline

Best retention candidates

## Below 600

Higher transaction failure rates

Elevated fraud risk

Requires monitoring

## Dual Strategy Approach

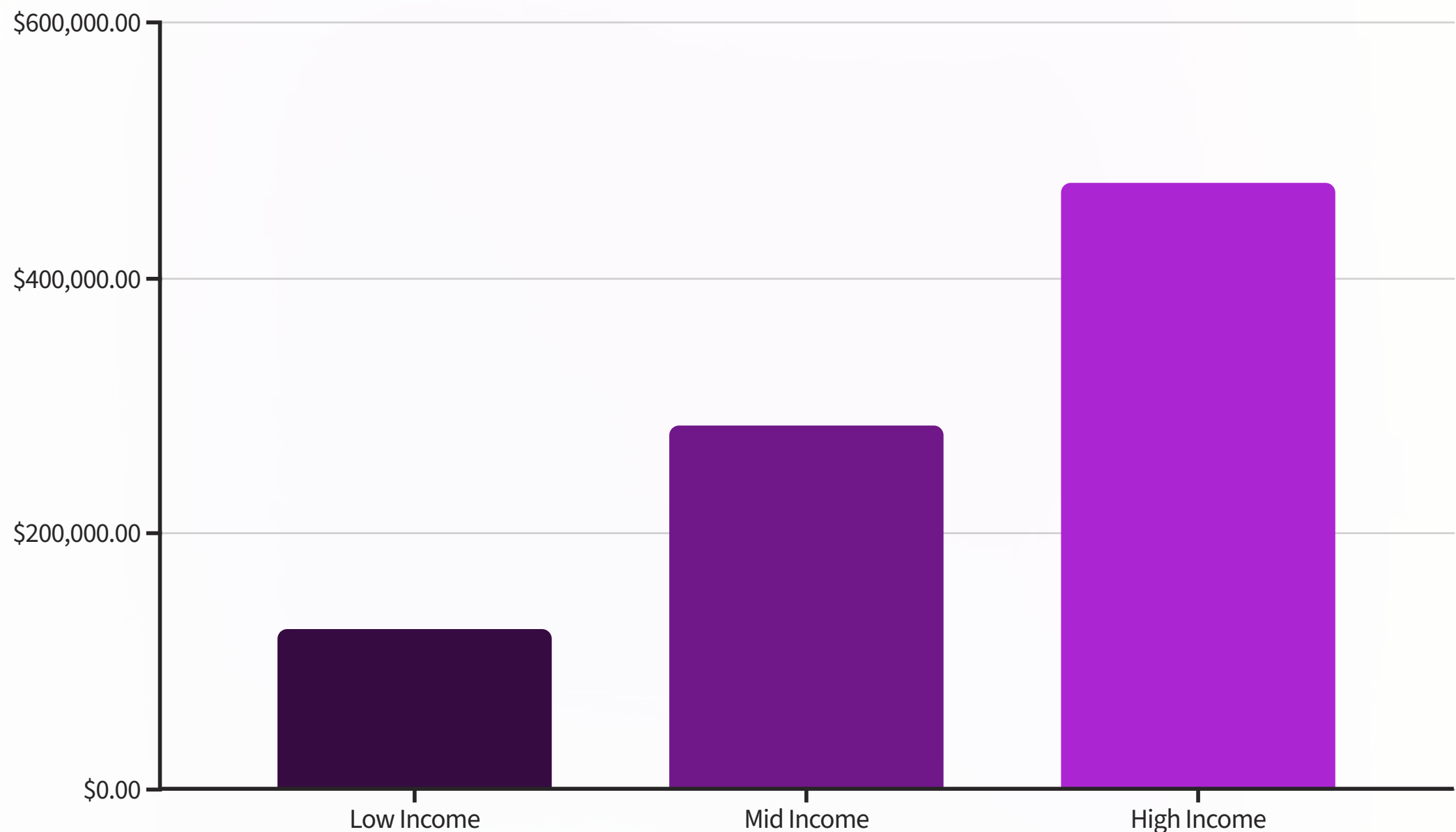
### High Score Customers

- Personalized rewards programs
- Higher credit limit offers
- Exclusive benefits access

### Low Score Customers

- Risk-based credit policies
- Frequent monitoring protocols
- Credit improvement initiatives

# Income Drives Transaction Activity



## Key Finding

Mid-to-high income groups generate majority of revenue with consistent spending patterns

## Action Plan

Develop premium products and cross-selling strategies targeted at high-income, low-risk segments

# Optimize Credit Limits for Growth

1

## Sweet Spot Identified

\$9,000-\$13,000 credit limits show most active spending patterns and optimal utilization

2

## Strategic Increases

Gradually raise limits for customers with consistent repayment history and strong credit

3

## Monitor Performance

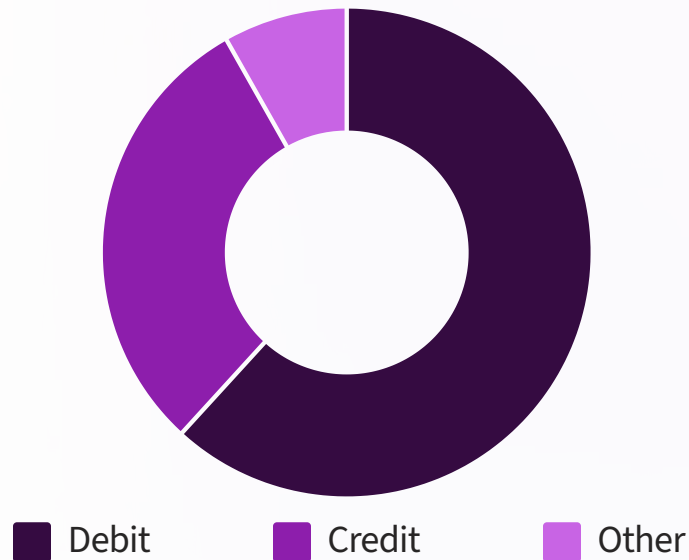
Track spending behavior and default rates after limit adjustments to refine strategy



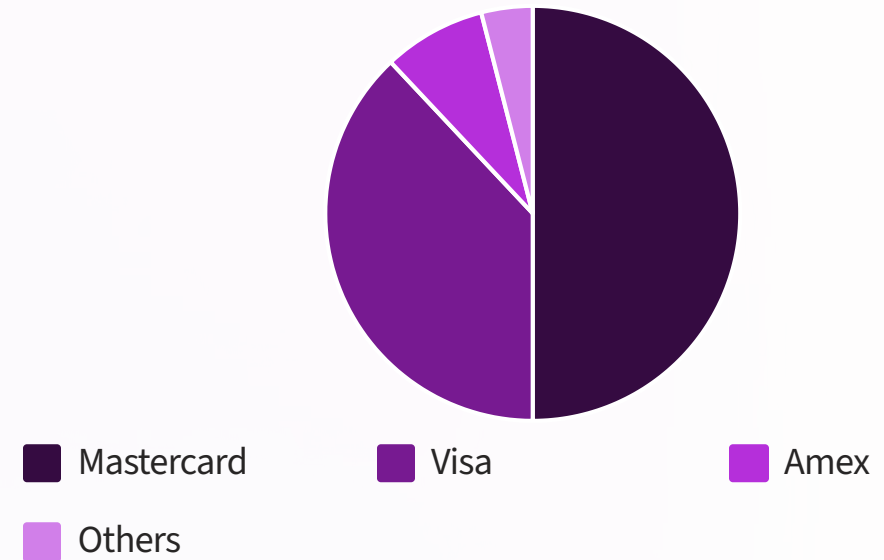


# Card Type & Brand Performance

## Card Type Mix



## Brand Distribution



1

### Shift to Credit

Promote credit card adoption with cashback, EMI options, and rewards to boost profitability

2

### Balance Brands

Strengthen Mastercard partnership while launching targeted Visa and Amex promotions

# Strategic Roadmap: Risk & Growth

01

## Deploy Real-Time Fraud Monitoring

Implement advanced analytics in California, Texas, and New York to reduce error concentration

02

## Enhance Customer Segmentation

Use income, credit score, and age data to personalize credit limits, rates, and marketing

03

## Accelerate Credit Card Growth

Launch flexible repayment options and co-branded retail benefits to shift from debit dominance

04

## Strengthen Risk Controls

Adopt risk-based pricing and enhanced KYC validation to manage exposure while maintaining profitability

**Bottom Line:** Balance aggressive growth in high-performing segments with disciplined risk management in vulnerable areas to maximize portfolio value

