


# Credit Card Customer Attrition Case Study

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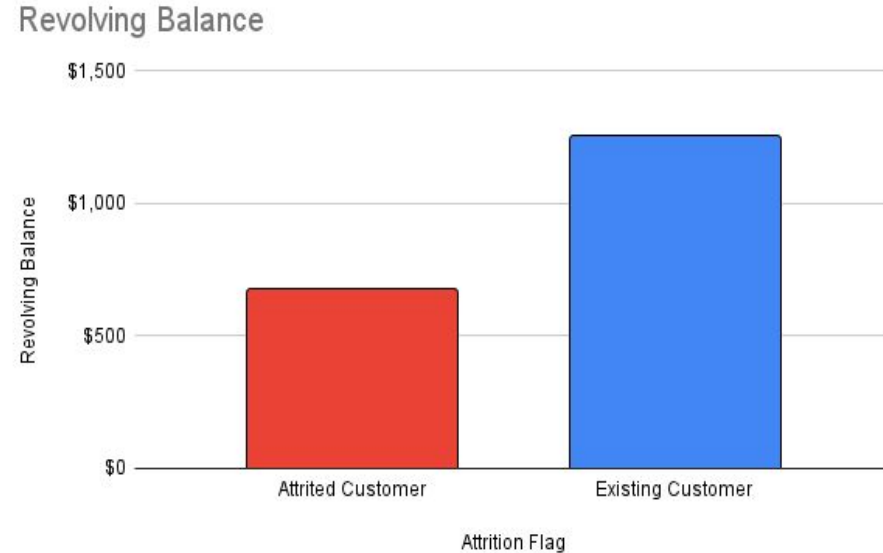
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## **BUSINESS TASK**

Credit card attrition usually hurts the cards business's financial statements, resulting in revenue and profit loss and asset/balance deterioration. Numerous factors have contributed to account attrition, such as dissatisfaction with customer support, the card's pricing structure falling short of the customers' expectations, and more lucrative offers. These situation demands a need for analysis of customers data to analyse the various features that affects customer attrition.

## REVOLVING BALANCE:

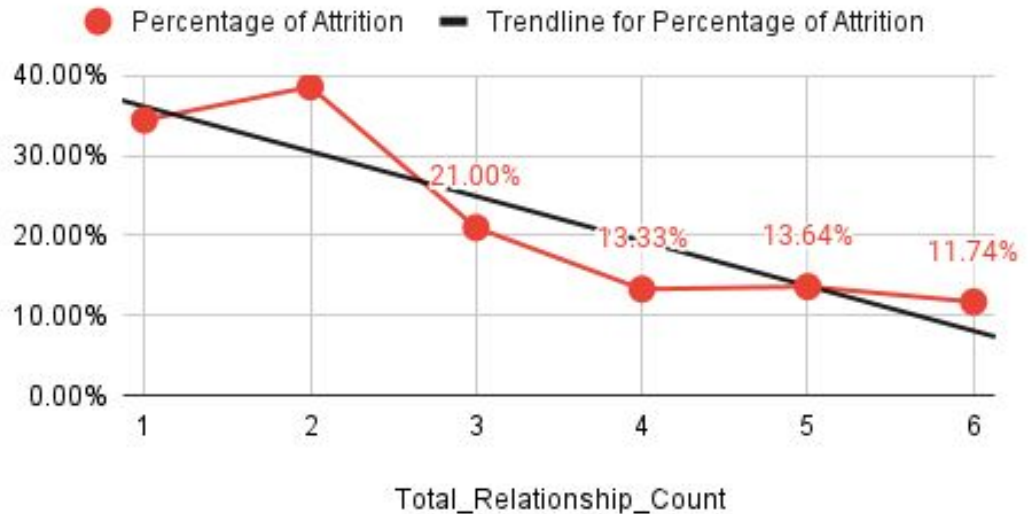
- Sample size = 10127
- 16.07% of the customers have attrited in the last 12 months.
- 58% of attrited customers are women.
- Customers with higher revolving balance are less likely to attrite.
- The Revolving Balance of Customers Attrited is 50% of the revolving balance of the Existing customers.



# Relationship Count

- The number of accounts or cards that each customer holds has been analysed.
- The data revealed a pattern that customers with more number of cards or accounts are less likely to attrite.

Relationship count vs % of Attrition



# Attrition by Income Category

- The contribution of Income of customers towards attrition was analysed.
- Customers who fall in the 60k-80k income category are comparatively less likely to attrite, compared to the customers in other income category
- The rate of attrition is similar among \$120k+ and <40k salary category.
- Similarly the rate of attrition is almost equal among (80-120)k and (40-60)k salary category.
- Female customers who attrited fall under <\$40 category and \$40k-\$60k category

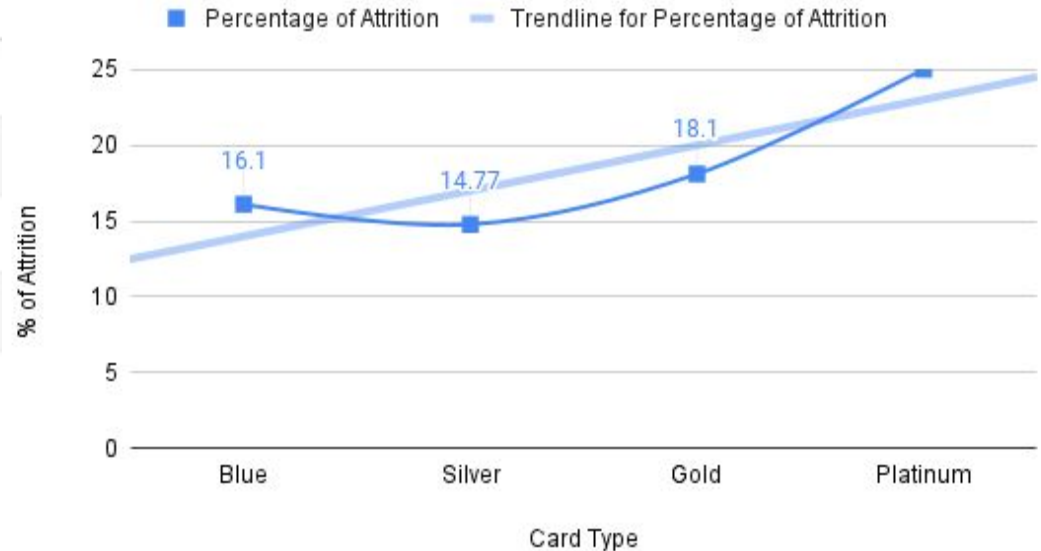
Income category vs % of Attrition



# Attrition by Card Type

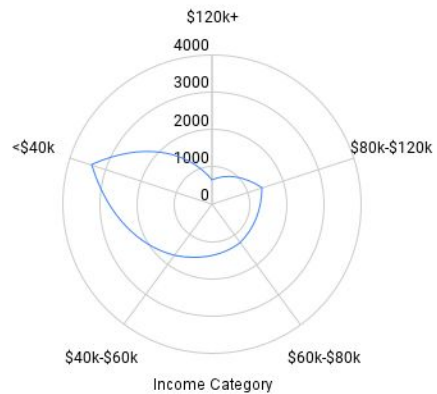
	Card Type	Percentage of women attriters ▼
1	Platinum	80.00%
2	Blue	58.60%
3	Gold	38.10%
4	Silver	34.14%

Percentage of Attrition vs. Card Type

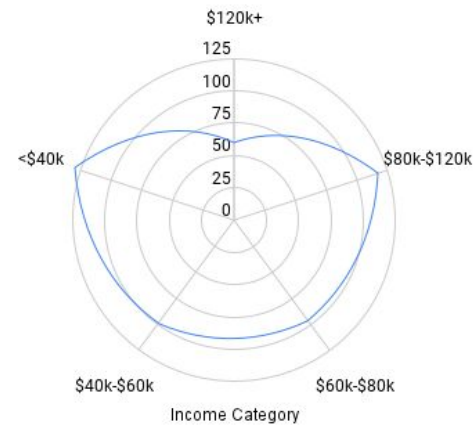


- Number of attrited customers holding different types of cards were analysed.
- % Customers using Platinum and Gold cards attrite more compared to the customers using Blue and Silver Cards

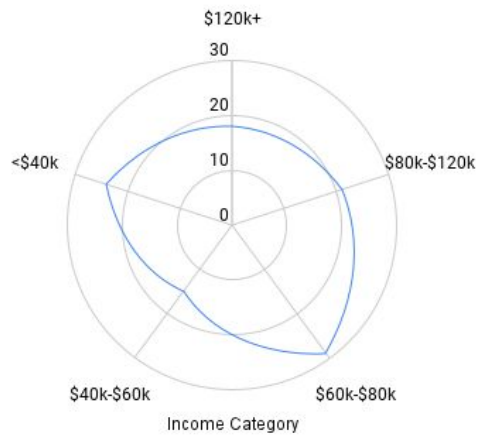
Blue Card



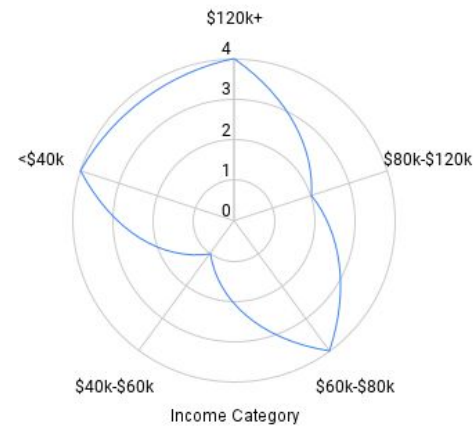
Silver Card



Gold Card



Platinum Card



## Key Takeaways:

- The average revolving balance of Attrited customers are 50% of the average revolving balance of existing customers.
- Customers on lower and higher income range have almost similar rate of attrition.
- Rate of attrition is higher among customers holding high value cards.
- The four different types of cards are poorly distributed. Some customers with <40k income are provided with Platinum card similarly some customers with 120k+ salary are provided Blue and Silver cards.



## Suggestions:

- Cards should be provided based on income category.
- Customers under 120k+ and 80k-120k salary category should be provided with platinum cards or gold cards.
- Platinum cards should be restricted to customers with <40k salary category.
- Marketing should be done to make customers open new accounts with our bank as customers with more accounts are less likely to attrite.
- Converting monthly payments to EMI option should be introduced.

## **Additional Requirements:**

- Female customers data is limited to only <40k and 40k-60k salary category.
- Data of Platinum card holders is insufficient. Which can make this analysis quite biased.
- Sample size is small.
- Additional data such as Total Expenditure, number of months the customer is holding the card etc. will make the analysis more accurate.