



**Data Glacier**

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# Week 7 deliverables

## Bank Marketing (Campaign) - Group Project

Group Name - Bloodhounds,  
Batch code - LISUM09,  
Submission date – 18 June, 2022

# Group members' details

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# Problem description



## Statement

- ABC Bank wants to sell its term deposit product to customers and before launching the product they want to develop a model which helps them in understanding whether a particular customer will buy their product or not (based on customer's past interaction with bank or other Financial Institution).
- Bank wants to use ML model to shortlist customers whose chances of buying the product are more so that their marketing channel (tele marketing, SMS/email marketing etc) can focus only on those customers whose chances of buying the product are more. This will save resources and their time (which is directly involved in the cost (resource billing))<sup>1</sup>.



## Importance of tracking customer interests in a banking sphere

- A big part of customers are convinced of the effectiveness of an individual approach to service. In an Accenture Financial Services global study of nearly 33,000 banking customers spanning 18 markets, 49% of respondents indicated that customer service drives loyalty. By knowing the customer and engaging with them accordingly, financial institutions can optimize interactions that result in increased customer satisfaction and wallet share, and a subsequent decrease in customer churn<sup>2</sup>.
- One of the challenges banks encounter, is following: How does a bank figure out what its customers specifically think about its services? Are their issues getting resolved? How satisfied are they with the experience? Why can't banks analyze customer care sessions to find real-time information about the customers and their pressing issues? Customer care records are very pointed and specific about the challenges the customer faces. In these cases building a model and detecting patterns can help to improve customers' retaining and loyalty and reduce the churn<sup>3</sup>.

1. Problem Statement. Data Science:: Bank Marketing (Campaign) -- Group Project. Data Glacier, [URL](#)

2. Top 10 Banking Industry Challenges — And How You Can Overcome Them. Hitachi Solutions, [URL](#)

3. Why Retaining Customers For Banks Is As Important As Winning New Ones. Forbes, [URL](#)



## What Is Retail Banking?

Retail banking, also known as consumer banking or personal banking, is banking that provides financial services to individual consumers rather than businesses. Retail banking is a way for individual consumers to manage their money, have access to credit, and deposit their money in a secure manner.

- Retail banking provides financial services to individual consumers rather than large institutions.
- Services offered include savings and checking accounts, mortgages, personal loans, debit or credit cards, and certificates of deposit (CDs).
- Retail banks can be local community banks or the divisions of large commercial banks.
- In the digital age, many fintech companies can provide all of the same services as retail banks through internet platforms and smartphone apps. So, there's high competition<sup>4</sup>.

4. Retail Banking, Investopedia, [URL](#)

5. What's the difference between a term deposit and a savings account? Westpac, [URL](#)



## What is a term deposit?

With a term deposit, you lock away an amount of money for an agreed length of time (the 'term') – that means you can't access the money until the term is up. In return, you'll get a guaranteed rate of interest for the term you select, so you'll know exactly what the return on your money will be.

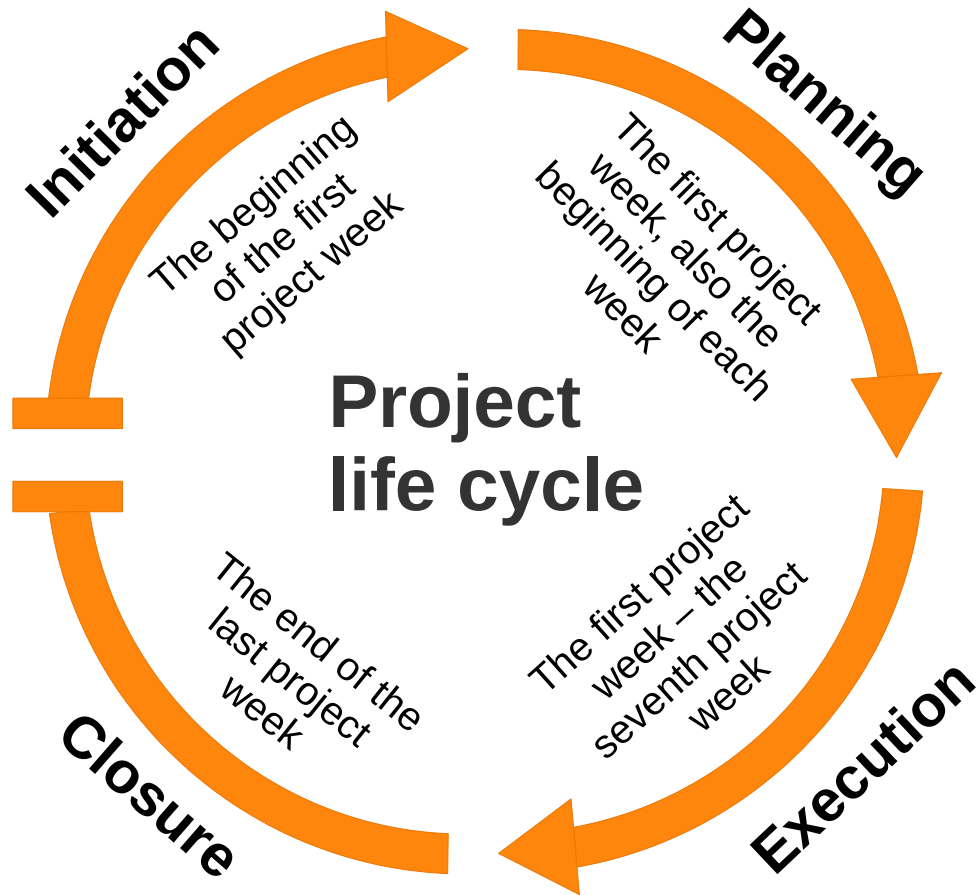
### Advantages:

- The savings are locked away, so a customer can't spend his savings on an impulse purchase.
- The certainty of a fixed interest rate - should interest rates move lower, a customer will still be locked in at the same rate of interest.

### Disadvantages:

- Should a customer need to access the money sooner, he'll likely have to pay a penalty fee or wait.
- Should interest rates go higher, a customer won't be able to take advantage of a better rate while the money is locked in the term deposit.
- A minimum balance deposit required<sup>5</sup>.

# Project life cycle along with deadline



## Project stages

1. The project **initiation** stage: understand the goals, priorities, deadlines, and risks of the project.
  - Goals of the project – successful completion of of all week tasks and gaining experience in project work and solving classification problems.
  - Main priority – submit the tasks according to the deadlines.
  - Potential risks - lack of time to complete the task, disagreement among team members.
2. The project **planning** stage: outline the tasks and timeline required to execute on the project.
  - Globally, a plan is constructed according the tasks and the deadlines in the Dashboard. A plan for specific tasks is constructed at the beginning of each week.
3. The project **execution** stage: turn the plan into action and monitor project performance.
  - Each week the tasks for corresponding week will be executed.
4. The project **closure** stage: analyze results, summarize key learnings, and plan next steps<sup>6</sup>.
  - Closure stage comes at the end of the project last week.

# Thank You

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