Mortgage Holders **Analysis**

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Problem Statement

Bank Customers Close to Mortgage Renewal in next 24 months

Mortgages are the biggest revenue generator for the bank

Reaching out to customers and encourage them to stay

Goal:
Prioritising which customers to contact

Approach

**Understanding Customer Behaviour**

Analyzing Historical Data

Segmenting and prioritizing Customers

Calculating Financial benefit

Understanding Customer base

- Examine the **customer database** and different **attributes**

- Cleaning the data: **Filter** bank staff & customers with beacon score less than 640

- Identify the most important **attributes closely related to mortgages**

- **Group customers** by their behaviour (K-means Clustering)

- **Label** the groups by behaviour patterns
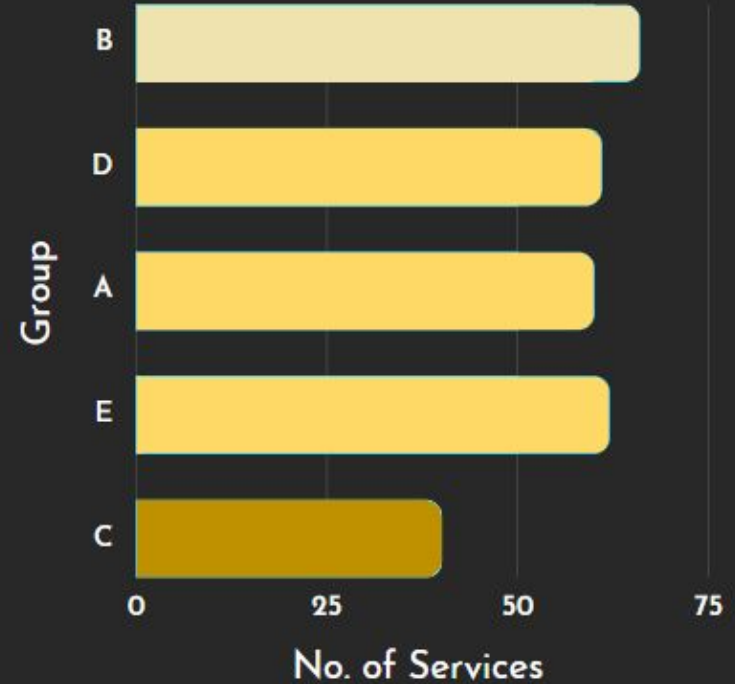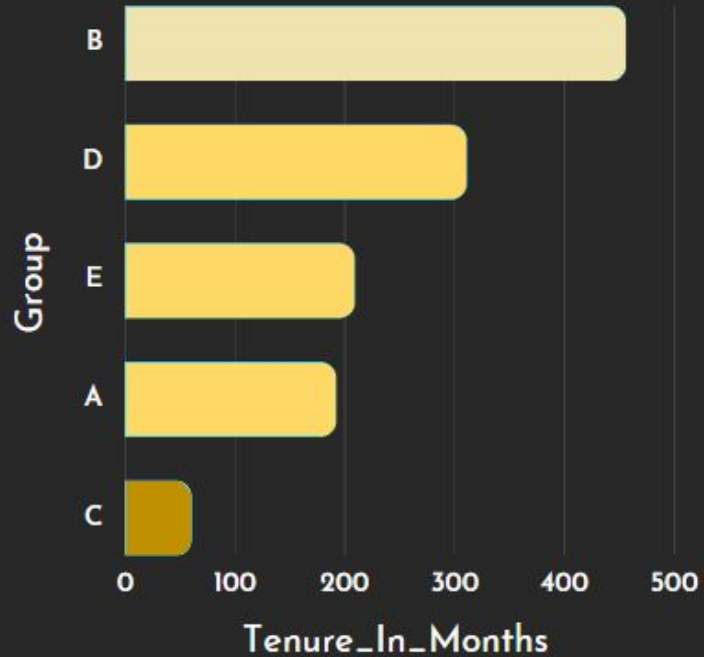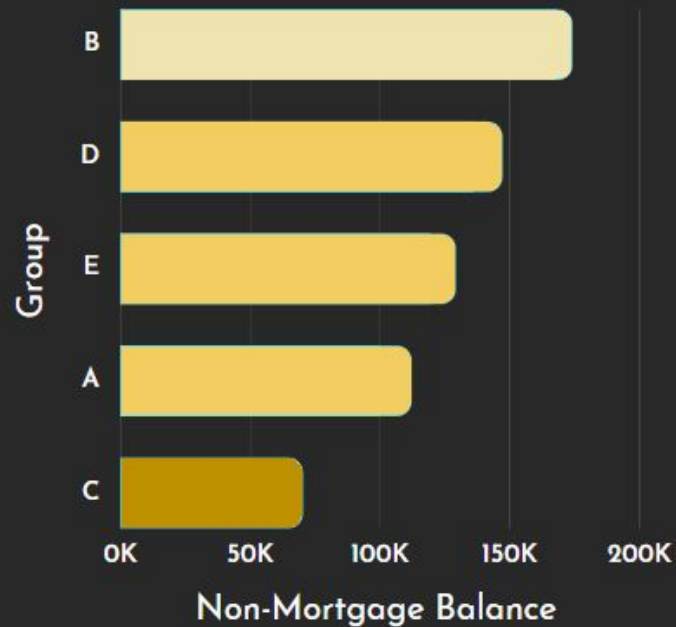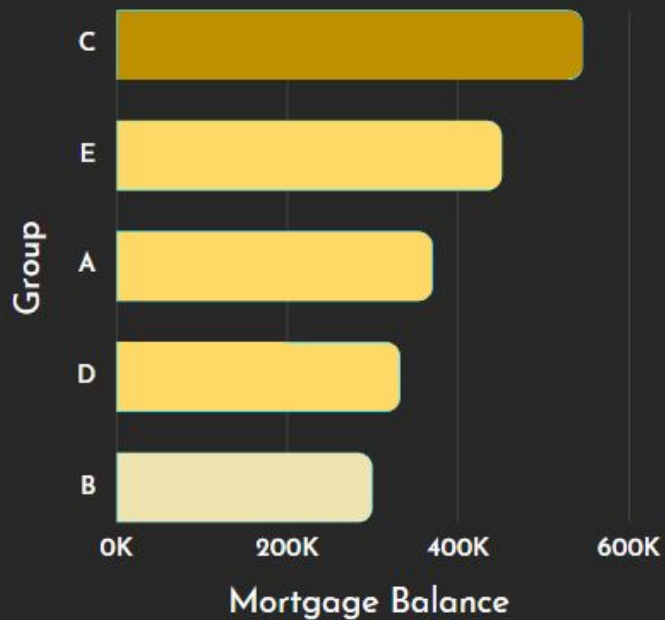
Customer Profiling

GROUP: B

Least Recent
Customers, Low
Rewards

GROUP: C

Most recent
Customers, High
Rewards

GROUP: A

Recent Customers,
Average rewards, Low
Risk

GROUP: D

Recent Customers,
Average Rewards,
Average Risk,

GROUP: E

Recent, Customers,
Average Rewards, High
Risk

Financial Historical Data

Customer Historical Data: **ran-off/renewed** in the last 6 months

⟹

Characteristics of two groups

Insights

	Runoff customers	Renewed customers
Beacon score	700	724
Non-mortgage balance	$59,775.61	$77,580.06
Mortgage balance	$581,103.44	$552,516.18
Services	3.5	4
Tenure	122.47	156.74

Comparing the Findings

GROUP: C

Most recent Customers, High Rewards

$\approx$

Run off ⤢

GROUP: B

Least Recent Customers, Low Rewards

$\approx$

Renewed ↻
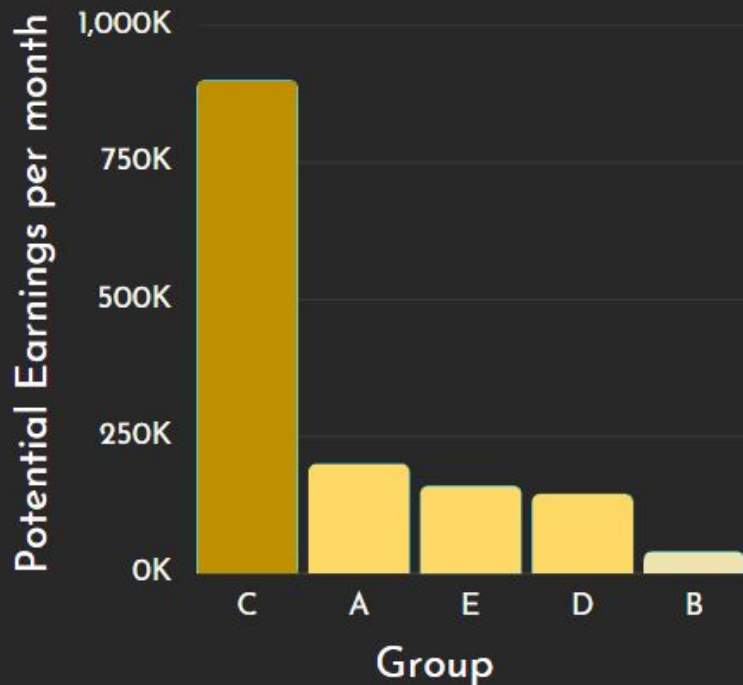
Recommendations

Not contacting the Old Customers
With High Non-Mortgage Balance and Number of Services and Low Mortgage Balance

Reaching out to the New Customers
With High Mortgage Balance and Low Number of Services and Low Non-Mortgage Balance

Based on the recommendation:

$11M
Interest Reward
per annum

Thank You!
Any Questions?

Contributions

Neha: Coordination and Planning, EDA, drawing findings and conclusions, creating slides and graphs

Luisa: Solution Design, Clustering, Analysis of results. Slides

Kishan: Analysing data. Planning approach. Clustering the data. Interpreting Inference

Nawshaad: Coordination, Discussion, EDA, Slides

Parnian:
EDA, Slides, Discussion, drawing conclusion of second dataset