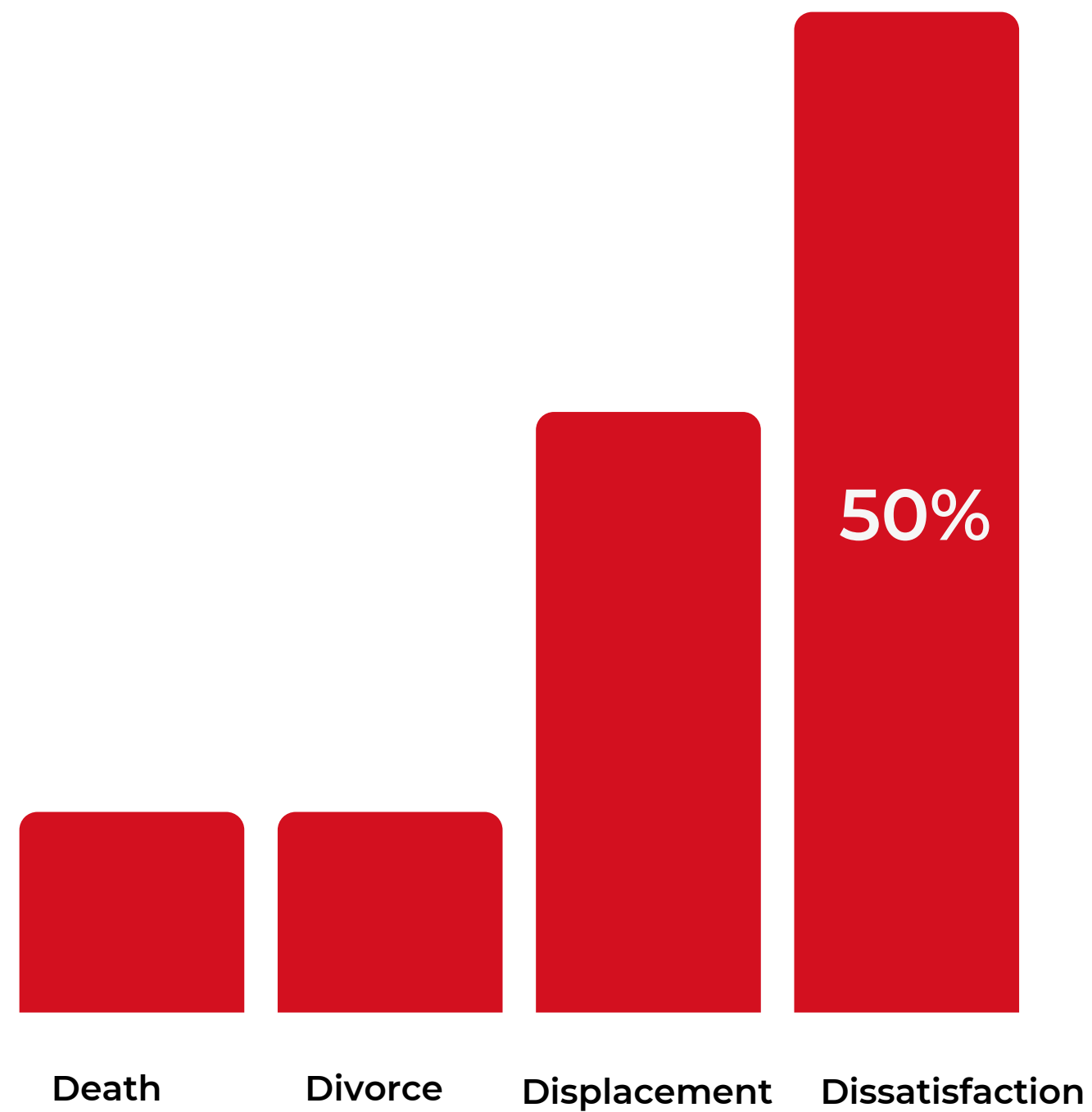




# Customer Attrition



# 4D's Of Customer Attrition





**15%**  
customers lost since 2018



**\$80M+** Balance Reduced

**30,000+** Transactions Lost



Attrition is Reversible.



# WHAT ARE WE TRYING TO ANSWER

Indicators of  
churning?

How to Identify  
the right  
customers?

How good we would be  
at talking to the right  
customers?



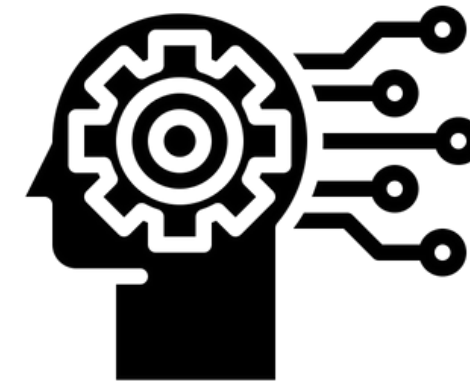
# OUR PROCESS



**Data  
Analysis**



**Churn  
Definition**



**Churn Prediction  
Model**



**Target Customer  
Identification**



# KEY BEHAVIOURS OF CHURN

30% reduction in *FUA Balance*

70% removed *Payroll* in last 3 months

90% had less than 10 *Transactions* in last 3 months



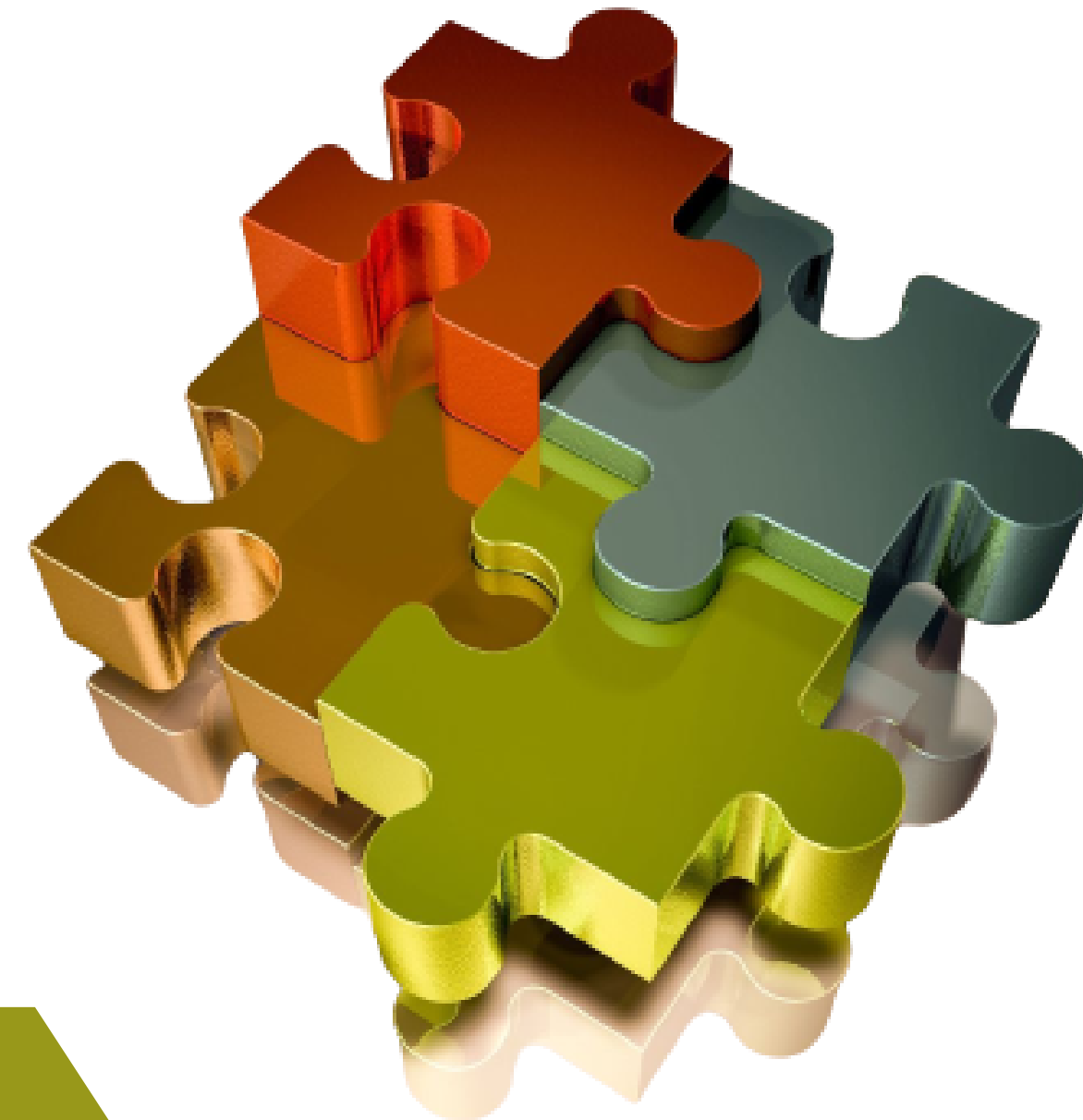


# KEY BEHAVIOURS OF CHURN

30% reduction in *FUA Balance*

70% removed *Payroll* in last 3 months

90% had less than 10 *Transactions* in last 3 months



# HOW TO DEFINE CHURN?



# WHAT DOES CHURN MEAN FOR RED BANK?

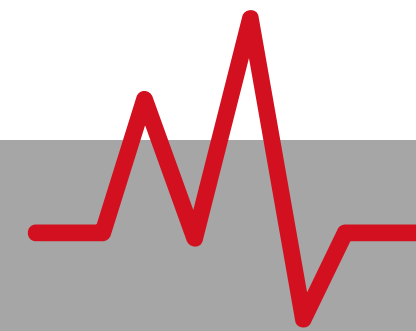


**CLOSED**

Closed accounts



Inactive accounts



accounts with <  
10 transactions  
for three months





## Attrition Results



96.71%

*Accuracy*



500

*customers with >90%  
Probability of leaving*



# WHO ARE THESE 300?



**218,000**

Average FUA  
balance

**6**

Average Number of  
transactions per  
month

**3**

Number of Services

**>675**

Beacon Score



Total FUA Balance that Red bank will save

**65M+**



# Call to action

## 300 Customers

- Target for Jan 2022
- Update model with new data every month

## Incentives

- Adding Payroll
- Increasing Transactions



# Thank You!



**Tanvi Kathuria**



**Smitha Kolan**

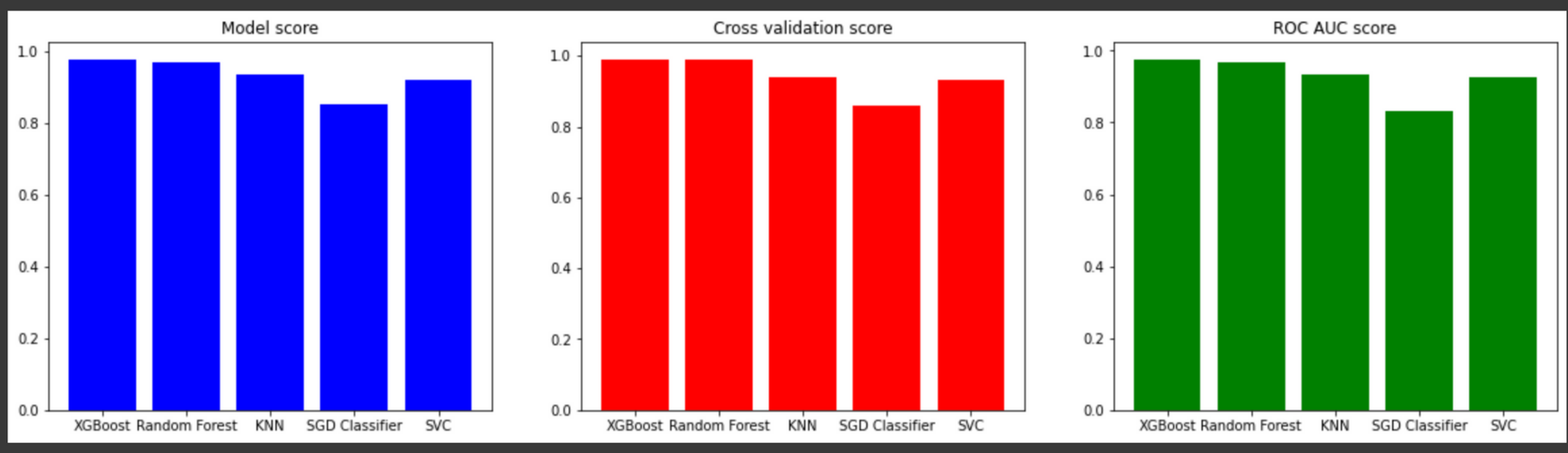


**Parnian Taghipour**





# Appendix



```
XGB Classifier model score:      97.58%
XGB Classifier cross val score: 98.96%
XGB Classifier roc auc score:   97.51%

Random Forest model score:      96.96%
Random Forest cross val score: 98.75%
Random Forest roc auc score:   96.77%

K-Nearest Neighbours model score:      93.54%
K-Nearest Neighbours cross val score: 93.83%
K-Nearest Neighbours roc auc score:   93.33%

SGD Classifier model score:      85.08%
SGD Classifier cross val score: 85.92%
SGD Classifier roc auc score:   83.26%

SVC model score:      92.04%
SVC cross val score: 93.08%
SVC roc auc score:   92.44%
```