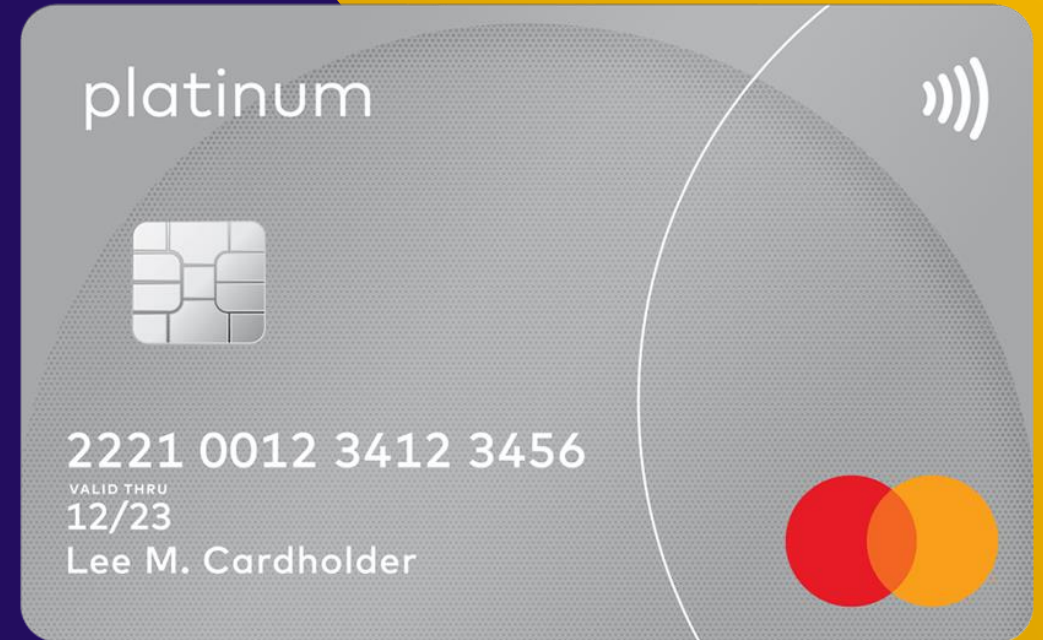


# Mitron Bank Credit Card Strategy

Unveiling Insights for Strategic Decision-Making



**Pramod Madal**

28 Dec 2023

## Agenda



**Understanding Mitron Bank's legacy and its vision for expanding its product i.e. Credit Card offerings in the financial market.**

## Updates



### Surge In Credit Card Use :

- ▶ As per RBI Data, In April 2023, India had over 8.6 crore credit cards, up 15% from 7.5 crore in April 2022.
- ▶ The number could hit the 10-crore milestone by early 2024.
- ▶ The credit card industry in India has witnessed a compound annual growth rate (CAGR) of 20% in the last five years.
- ▶ India's Crisil Ratings has found that card usage online has jumped to 60% of card spend.

## Current Trends



- ▶ The global credit card industry is witnessing rapid growth, by changing consumer preferences and technological advancements.
- ▶ In recent years, credit cards have become an integral part of daily financial transactions.
- ▶ Emerging trends include the rise of contactless payments, increased adoption of digital wallets, and a growing focus on sustainability.

## Scenario

- ▶ Mitron Bank is a financial institution headquartered in Hyderabad.
- ▶ They want to introduce a new line of credit cards, aiming to broaden its product offerings and reach in the financial market.

- ▶ **AtliQ Data Services** approached Mitron Bank with a proposal to implement this project.
- ▶ However, the bank is interested but provided a pilot project with the sample data before handling the full project.
- ▶ They provided a sample dataset of customers across five cities on their online spending and other details.



# Mitron Bank Customer Data Analysis

## CONTENT

Customer Demographics

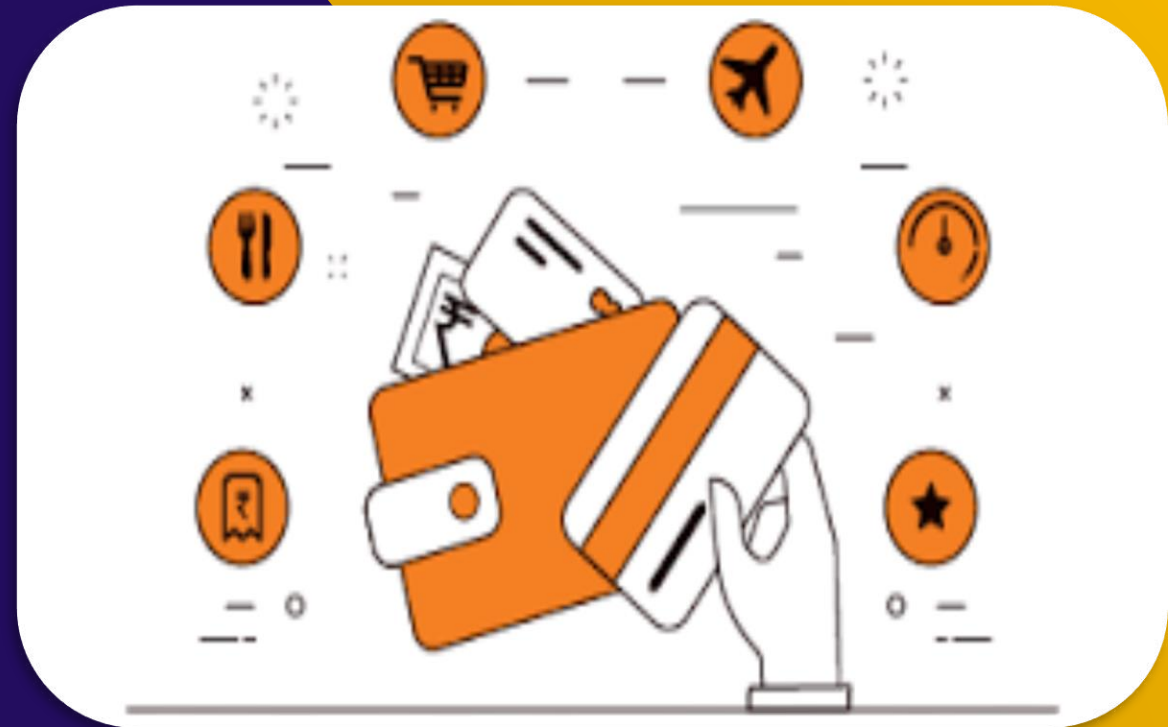
Income Analysis

Spending Insights

Key Customer Segments

Recommendations

Consumer Behavior Trends





## Customer Demographics

### Total Customers: 4000

- Married and Single Males: 2597
- Married and Single Females: 1403

### City Distribution:

- Mumbai, Bangalore, Chennai, Delhi NCR, and Hyderabad

### Age Group Distribution:

- Database contains 21-45+ age group people.

### Occupation:

- Salaried IT Employees
- Salaried Other Employees
- Business Owners
- Freelancers
- Government Employees.

### Period :

- The database covers a period of 6 months from May to Oct.



MITRON  
BANK

Customer Demographics

Income Analysis

Spending Insights

Key Customers

CODE  
BASICS

Married

Single

4000

Total Customer

1403

Count of Female

2597

Count of Male

1.2bn

Total Income

531M

Total Spend

42.8%

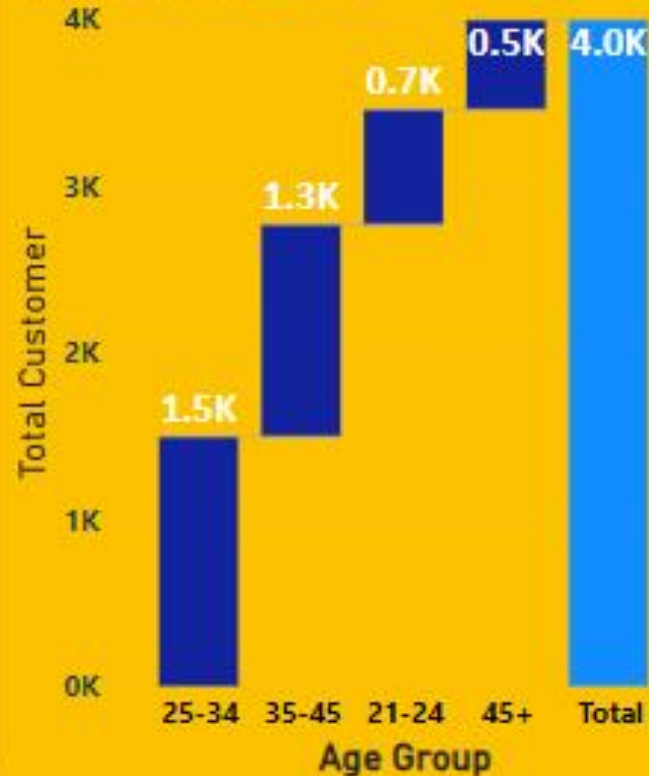
Income utiliza...

Female

Male

Customers by Age Group

● Increase ● Decrease ● Total



Total Customer by City



Avg. Income - Spend by Occupation

Occupation	Avg.Monthly Income	Avg. Monthly Spend
Business Owners	70,091.18	23,281.67
Freelancers	35,058.25	16,058.38
Government Employees	52,034.83	15,088.73
Salaried IT Employees	61,499.67	31,391.07
Salaried Other Employees	38,793.44	16,332.90
Total	51,657.03	22,120.74

Customer by Occupation



Bengaluru

Chennai

Delhi NCR

Hyderabad

Mumbai

Filters



Married

4000

Total Customer

Single

1403

Count of Female

2597

Count of Male

1.2bn

Total Income

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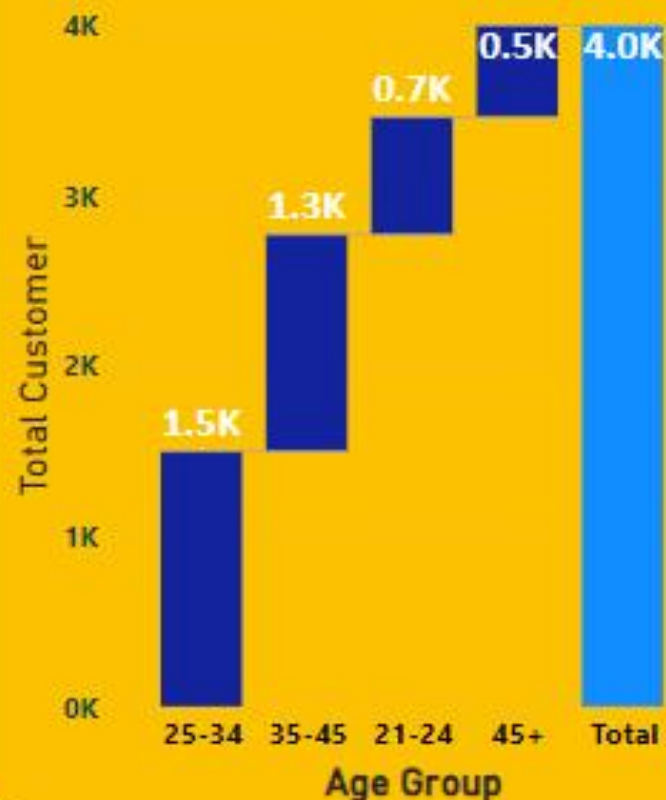
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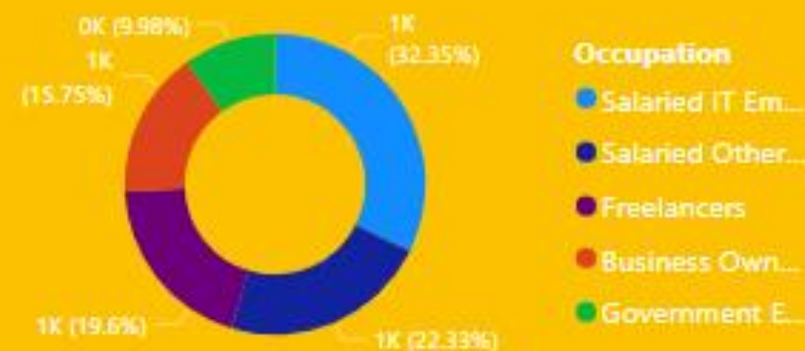
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Customer by Occupation



Bengaluru

Chennai

Delhi NCR

Hyderabad

Mumbai

## Income Analysis

**Total 6 Months Income:** 1.2 Billion

**Avg. Monthly Income:** 52 K

**Total Income Utilization:** 42.84 %

### Occupational Income Insights:

- Highest Income Category: Salaried IT Employees
- Lowest Income Category: Government Employees

### Consumer Income by City:

- Highest Income City: Mumbai
- Lowest Income City: Hyderabad

### Age Group Analysis:

- Highest Income Age Group: 25-34

### Categorial Overview :

- Highest income utilized on Bills and Groceries





Customer Demographics

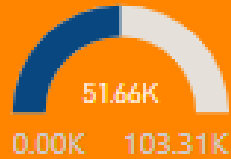
Income Analysis

Spending Insights

Key Customers



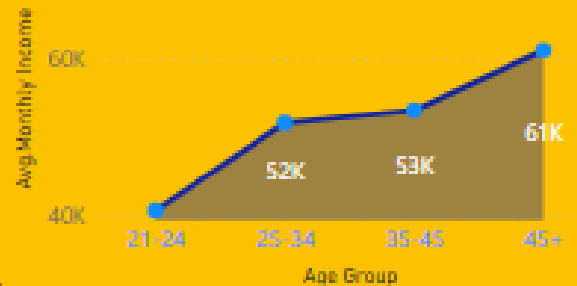
Avg. Monthly Income



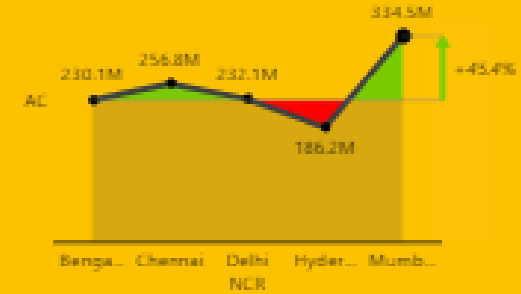
Avg. Monthly Spend



Avg. Monthly Income by Age Group

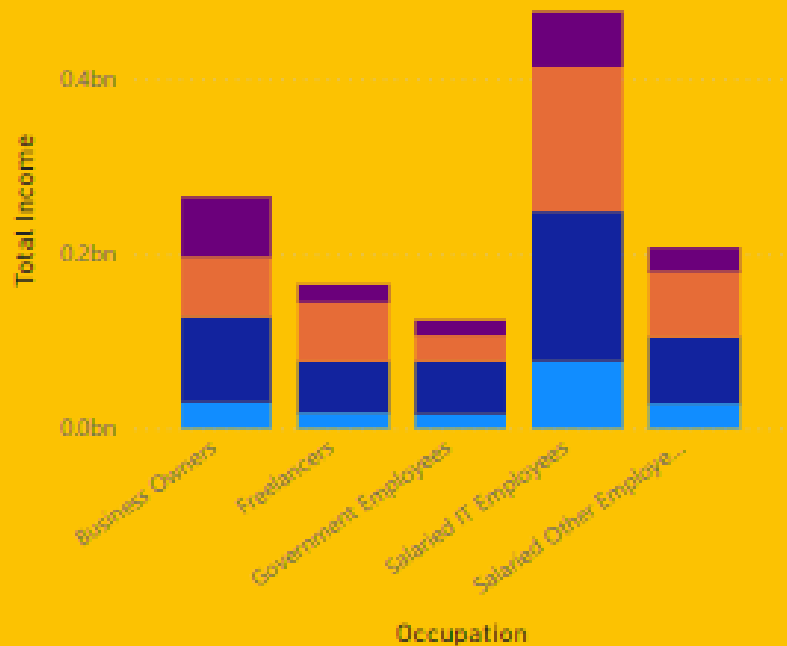


Total Income by City

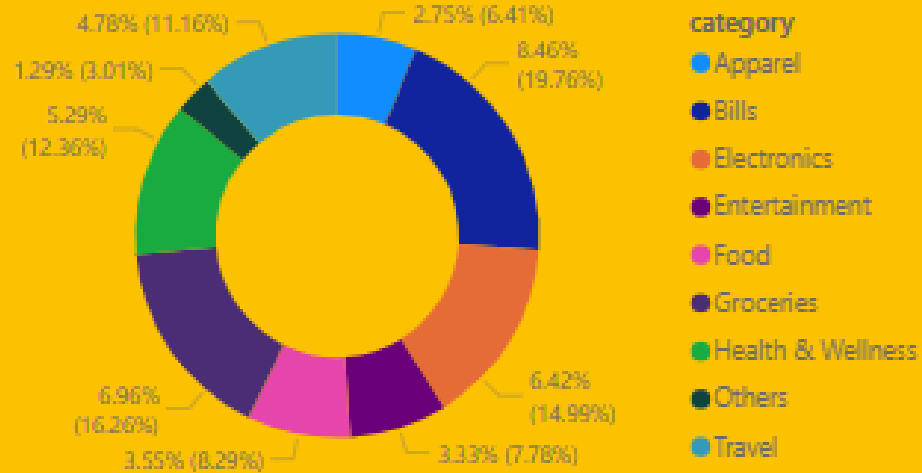


Total Income by Occupation and Age Group

Age Group ● 21-24 ● 25-34 ● 35-45 ● 45+



Income utilization % by category



Income utilization %

42.82%

Female

Male

Married

Single

Bengaluru

Chennai

Delhi NCR

Hyderabad

Mumbai

Aug...

July

June

May







Customer Demographics

Income Analysis

Spending Insights

Key Customers



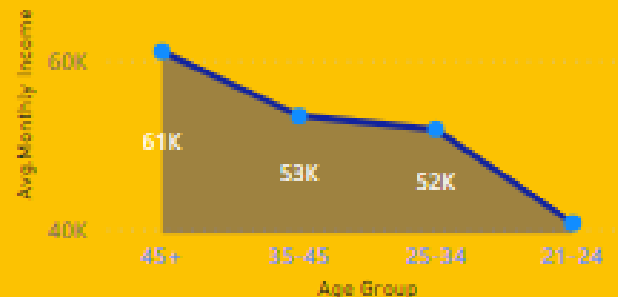
Avg. Monthly Income



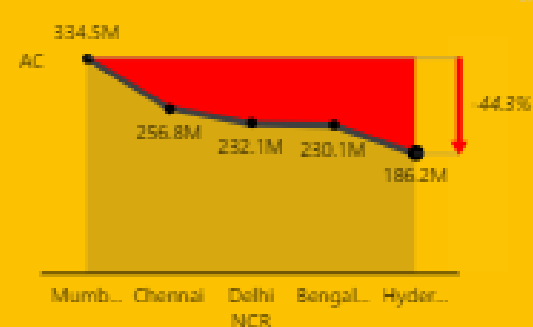
Avg. Monthly Spend



Avg. Monthly Income by Age Group



Total Income by City



Female

Male

Married

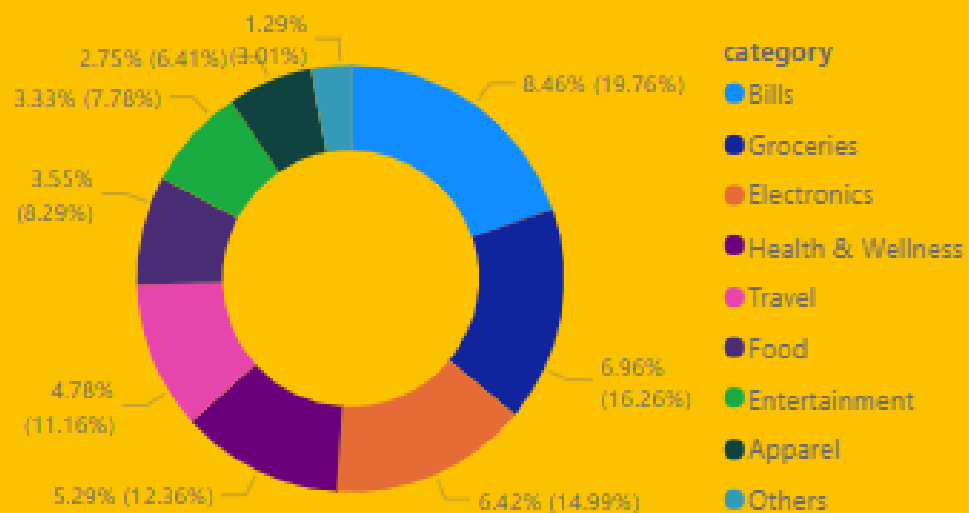
Single

Total Income by Occupation and Age Group

Age Group: 21-24, 25-34, 35-45, 45+



Income utilization % by category



Income utilization %

42.82%

Bengaluru

Chennai

Delhi NCR

Hyderabad

Mumbai

Aug...

July

June

May

Oct...

Sep...



## Spending Insights

**Total 6 Months Spend: 531 Million**

**Avg. Monthly Spend: 22.1 K**

### Understanding Spending Patterns:

- Top Spending Categories: Bills, Groceries, Electronics, Health and Wellness and Travels

### Payment Methods:

- Customers using Credit Cards, UPI, Debit Cards and Net Banking

### Consumer Spend by City:

- Highest Spending City: Mumbai
- Lowest Spending City: Hyderabad

### Higher Spending Category

- Salaried IT Employees Higher spending between the age group 25-34





Customer Demographics

Income Analysis

Spending Insights

Key Customers



22.1K

Avg. Monthly ...

531M

Total Spend

42.8%

Income utiliza...

Credit Card

Debit Card

Net Banking

UPI

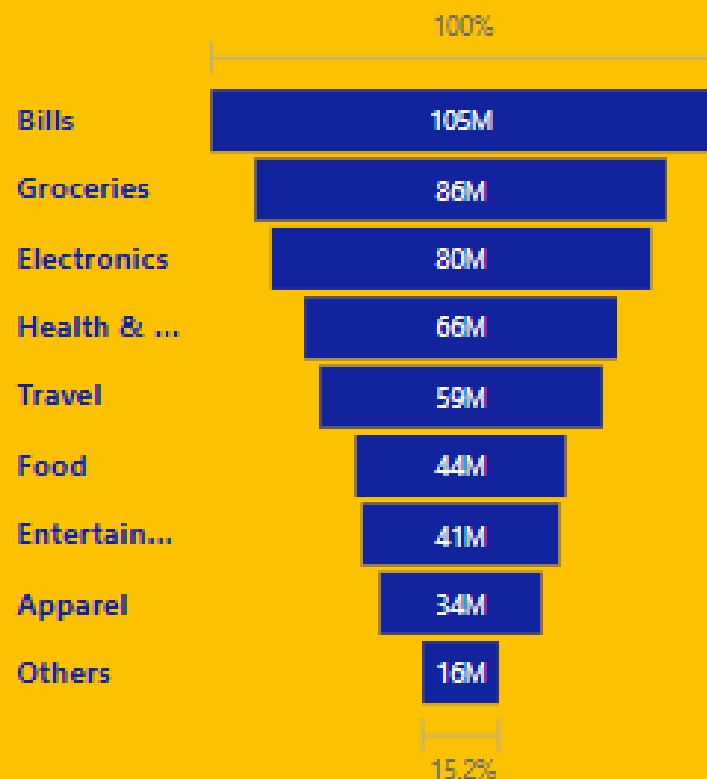
Female

Male

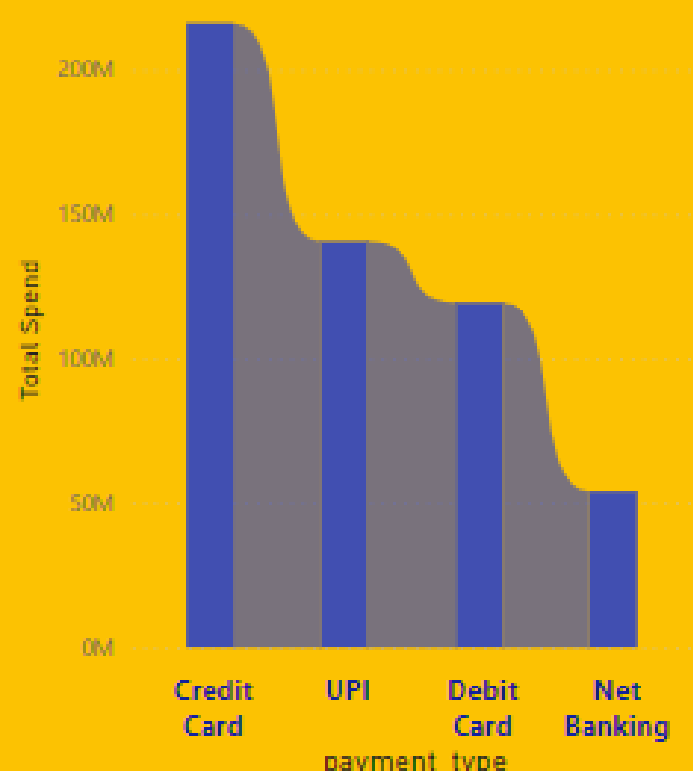
Married

Single

Total Spend by Category



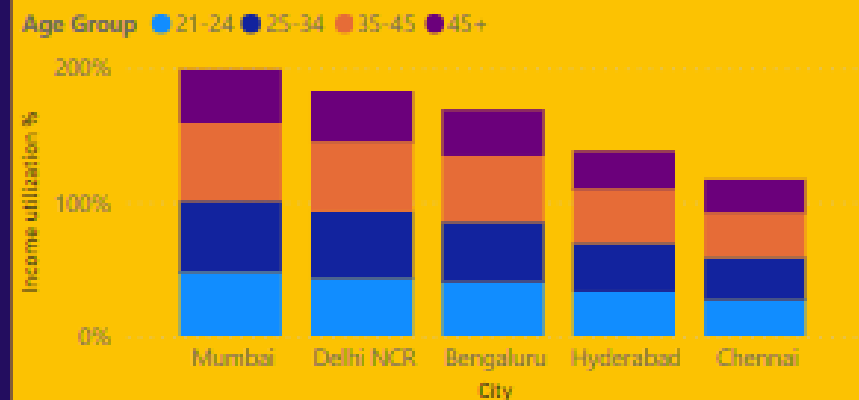
Total Spend by payment\_type



Top Category Spend by Credit Card

category	Total Spend	payment_type
Apparel	13,969,973	Credit Card
Bills	46,332,586	Credit Card
Electronics	35,183,765	Credit Card
Entertainment	17,104,914	Credit Card
Food	15,432,084	Credit Card
Groceries	27,166,419	Credit Card
Health & Wellness	27,676,505	Credit Card
Others	6,830,584	Credit Card
Travel	26,612,042	Credit Card

Income utilization % by City and Age Group



Bengaluru

Chennai

Delhi NCR

Hyderabad

Mumbai

Aug...

July

June

May

Oct...

Sep...

## Key Customer Segments

1. **Age Group Dynamics : 25-34 High income and spending capacity.**
2. **Occupational Consideration: Salaried especially IT sector top income category with credit card propensity.**
3. **Categorical preference: Bills and Electronics are Significant spending areas, especially among men.**
4. **Health and wellness are preferred by single Females.**
5. **Single men are spending more on electronics.**
6. **Location Impact – Mumbai**
7. **Utilization rate: Approximately 42.82% utilization rate.**
8. **Peak Utilization Months: August and September.**



## Key Customer Segment

Female

Male

Married

Single

## Credit Card First Payment Method

At 216,308,873, Credit Card had the highest Total Spend and was 299.03% higher than Net Banking, which had the lowest Total Spend at 54,208,430.

Credit Card had the highest Total Spend at 216,308,873, followed by UPI, Debit Card, and Net Banking.

Credit Card accounted for 40.74% of Total Spend.

Across all 4 payment\_type, Total Spend ranged from 54,208,430 to 216,308,873.

## IT Sector and Business Owners

At 477,483,462.00, Salaried IT Employees had the highest Total Income and was 283.30% higher than Government Employees, which had the lowest Total Income at 124,571,394.00.

**Salaried IT Employees accounted for 38.51% of Total Income.**  
Across all 5 Occupation, Total Income ranged from 124,571,394.00 to 477,483,462.00.

## Male Between 35-45

Male in Age Group 35-45 made up 14.89% of Income utilization %.

35-45 had the highest average Income utilization % at 0.46, followed by 25-34, 21-24, and 45+.

**Total Spend for Male (357,138,037) was higher than Female (173,759,718).**

Male had 357,138,037 Total Spend and Female had 173,759,718.

Male accounted for 67.27% of Total Spend.

## Bills, Groceries and Electronics.

At 104,912,768, Bills had the highest Total Spend and was 557.46% higher than Others, which had the lowest Total Spend at 15,957,182.

**Bills accounted for 19.76% of Total Spend.**

Across all 9 category, Total Spend ranged from 15,957,182 to 104,912,768.

## Mumbai is the Biggest Hub

At 334,526,994.00, Mumbai had the highest Total Income and was 79.62% higher than Hyderabad, which had the lowest Total Income at 186,242,826.00.

Total Income and total Total Spend are positively correlated with each other.

**Mumbai accounted for 26.98% of Total Income.**

Total Income and Total Spend diverged the most when the City was Chennai, when Total Income were 176,940,737.00 higher than Total Spend.

## Target Age Group 25-34

At 24,959.39, 35-45 had the highest Avg. Monthly Spend and was 51.02% higher than 21-24, which had the lowest Avg. Monthly Spend at 16,527.51.

35-45 had the highest Avg. Monthly Spend at 24,959.39, followed by 25-34, 45+, and 21-24.

Across all 4 Age Group, Avg. Monthly Spend ranged from 16,527.51 to 24,959.39.

Bengaluru

Chennai

Delhi NCR

Hyderabad

Mumbai

Aug...

July

June

May

Oct...

Sep...



## Consumer Behavior Trends

### 1. Digital Transformation:

1. Online Shopping
2. Digital Payments

### 2. Personalization:

1. Customized Experiences
2. Product Recommendations

### 3. Social Media Influence:

1. Social Commerce
2. Influencer Marketing

### 4. Sustainability and Ethical Consumption:

### 5. Ethical Brands

### 6. Health and Wellness

1. Healthy Living
2. Fitness Tech

### 7. Remote Work Impact

1. Home Office Products

- ▶ Understanding consumer behavior is the compass that guides Mitron Bank through the dynamic landscape of the financial market.
- ▶ The trends observed in our customers' spending habits provide valuable insights that can shape and enhance our credit card strategy.

## Recommendations

- 1. Category-Specific Rewards:** Align rewards with popular spending categories like Bills and Electronics.
- 2. Contactless Payment Options:** Emphasize convenience with modern payment methods.
- 3. Offers like a Fuel Surcharge Waiver, Free monthly movie tickets, and Annual fee Exemption after specific usage.**
- 4. Exclusive Promotions:** Offer unique promotions for credit card users.
- 5. Enhanced Security Measures:** Communicate advanced security features to build trust.
- 6. Feedback Mechanism:** Establish a feedback mechanism for customers to share insights.
- 7. Peak Utilization Months:** August and September.

**Thank you**



**Pramod Madal**

