

Bank Churners

since last 12 months

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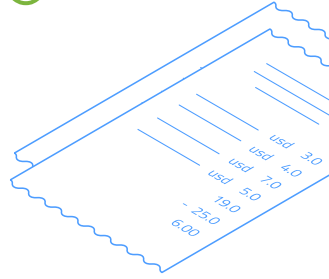
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Background



01

Executive Summary



Problem Statement

The bank has more than ten thousand customers, however, 16.07% of them are leaving of using credit card and its services.



Objective

The project objective is to find who is the bank churners and what is the factor that contribute the most of the customer churn rate.



Conclusion

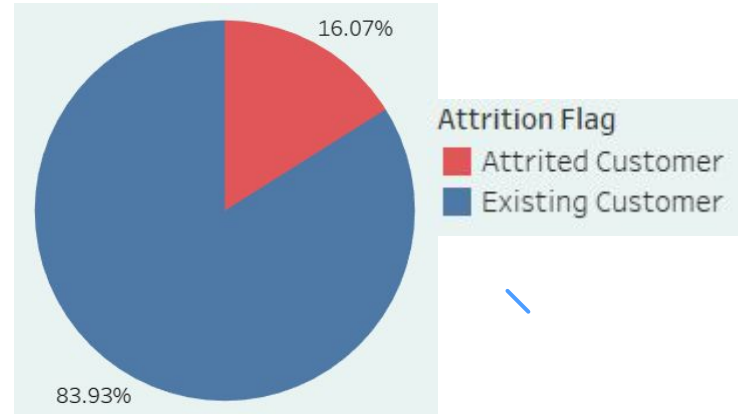
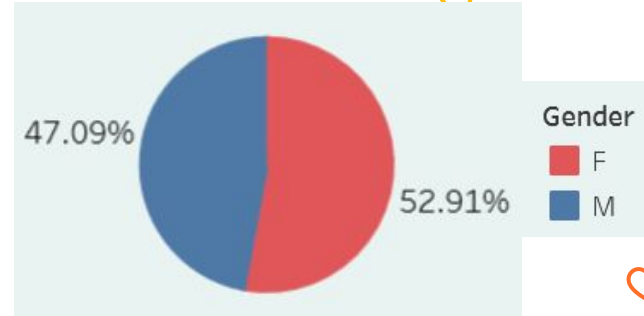
- The bank can focus on female churners who are 31 years old and older and its income is less than \$40 K per year on the short term.
- On the long term, the bank give bonus points for those existing and attrited customers that uses credit card for each transaction.



Background

The bank has more than ten thousand customers which consists of **52.9% of females** and the remaining of males.

However, since last 12 months, **16.07% of them** are **leaving of using credit card** and its services.

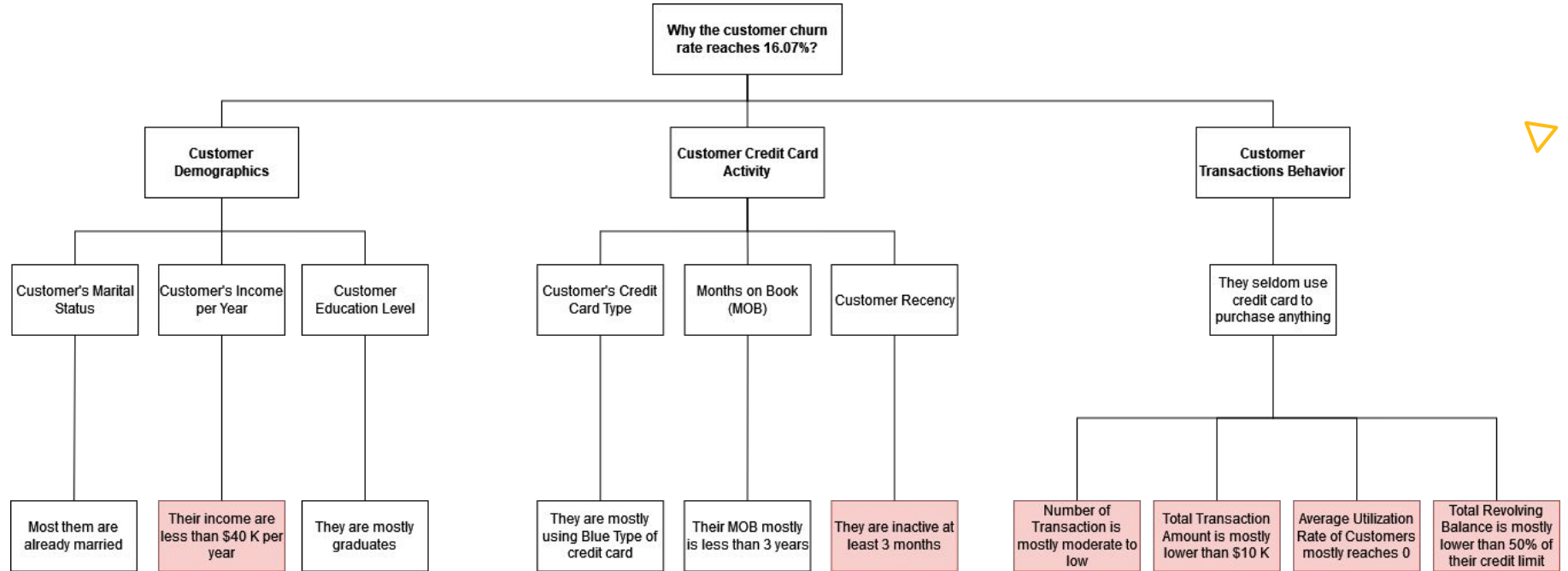


Root Cause Analysis



02

♥ Root Cause Analysis







Problem Definition



The contributing factors of the customer churn rate are as follows

- **the customer income** which is mostly **less than \$40 K per year**;
 - the customers are **inactive** since **last 3 months or longer**;
 - the **number of transactions** is mostly **less than 100 transactions** since last 12 months and their **total transactions amount** are mostly **less than \$10 K**; and
 - about **55% of bank churners** have **average utilization rate** of **0%**.
- 
- 

Exploratory Data Analysis

Churners Characteristics



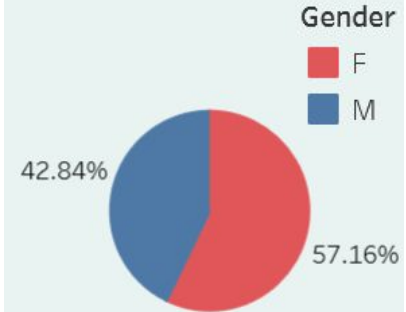
03a°

Who are the most of bank churners?

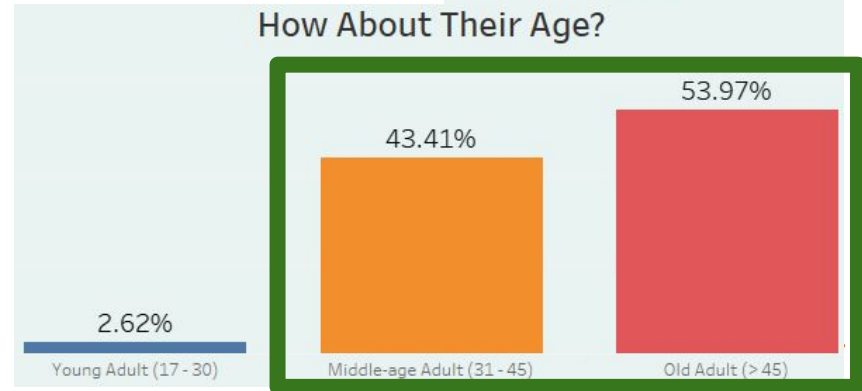
Let us take a look at the **demographics** of bank churners.

- **57.16%** of all **attrited customers** are **females/women**.
- **Almost attrited customers** are **over 31 years old (97.3%)**.

What About The Gender?



How About Their Age?



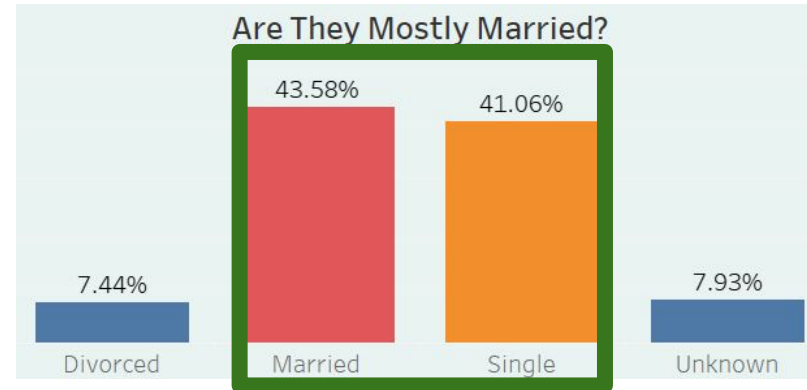
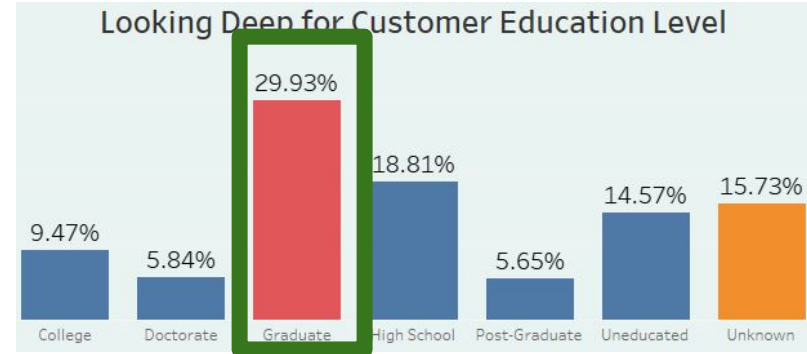
How about Customer Income of them?

Of all attrited customers, **37.6%** of them has **income less than \$40K per year.**



Are they mostly educated well and married?

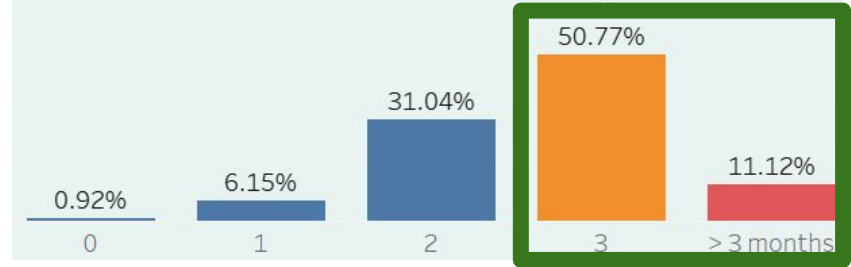
- **29.9%** of all **attrited customers** are **graduates**.
- The attrited customers are mostly **married (43.6%)** and **single (41.1%)**.



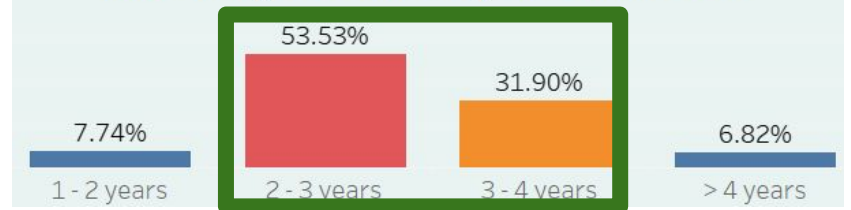
Looking to the their credit card activity

- Of all **attrited customers**, **61.9%** of them are **inactive** of using credit card since **3 months or more ago**.
- 53.5%** of **attrited customers** have used credit card between **2 to 3 years**.

What is The Percentage of Customer that are Inactive since 3 Months or more Ago?

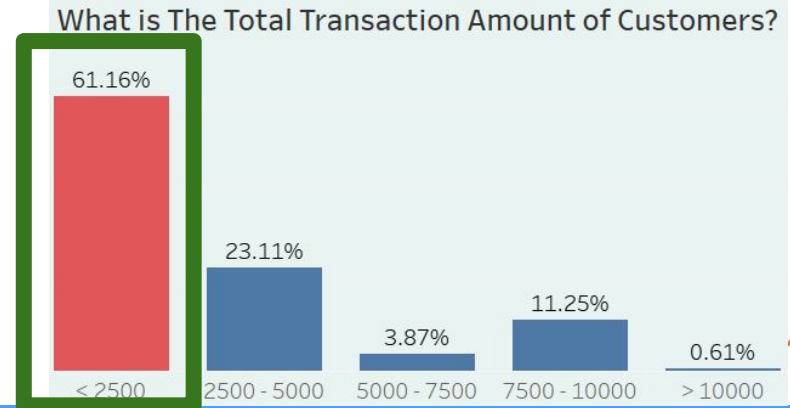
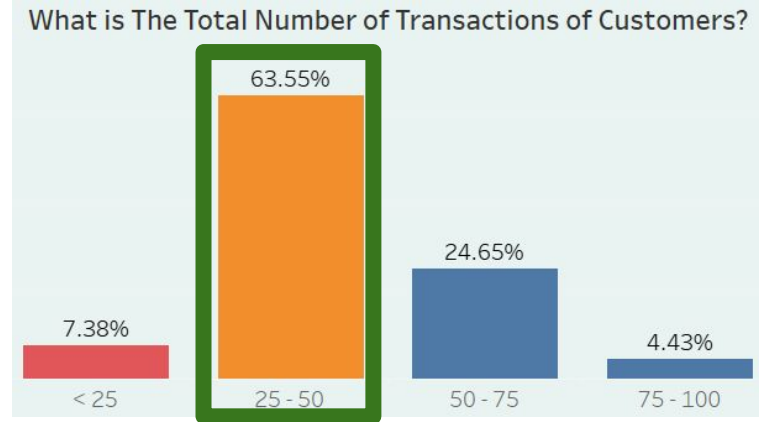


How Many Years Do They Use Credit Card?



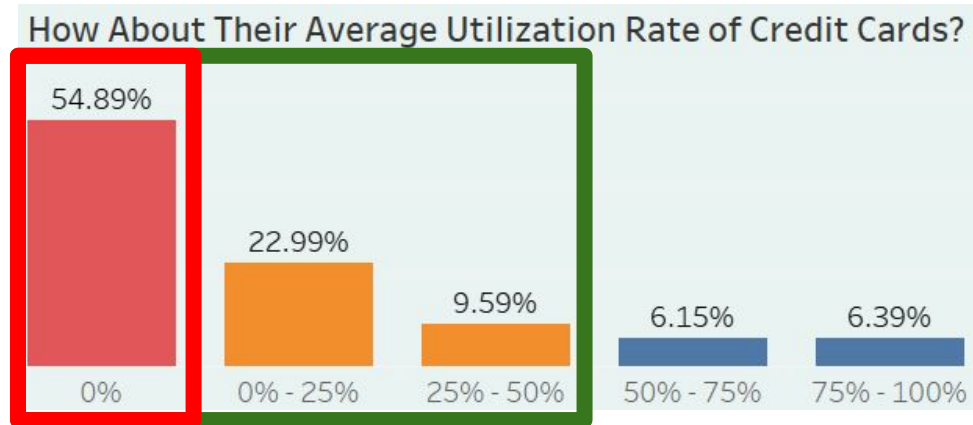
They mostly do less transactions!

- All attrited customers do less than **100 transactions**. To be exact, **63.6%** of attrited customers have **25 - 50 transactions** using credit card.
- Almost all attrited customers have its total transaction amount less than \$10 K. Furthermore, **61.2%** of them have the **total transaction amount less than \$ 2.5 K**.



They mostly seldom use credit card! No wonder!

- About **86% of all attrited customers** have an **average utilization rate less than 50%**. The lower rate, the higher chance of customer to leave using credit card.
- To make it worse, **55% of all attrited customers** have an **average utilization rate of 0%** which means that they are mostly leaving the credit card.



Exploratory Data Analysis

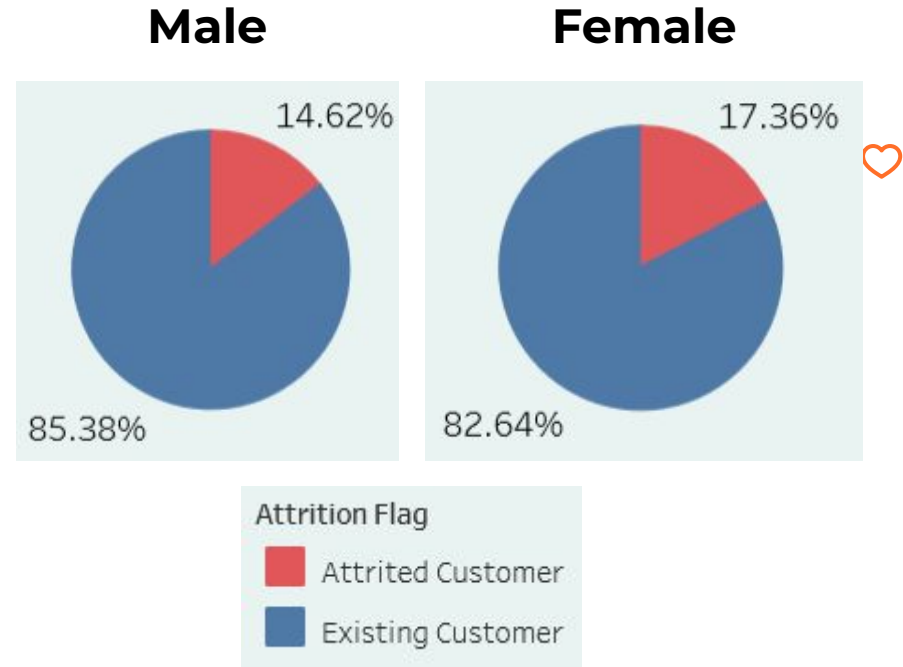
Male Vs. Female Churners



03b°

How many male and female churners?

- 14.62% of male customers are churners while 17.36% of female customers are leaving credit card services.
- This is a prove that females are the most of bank churners.



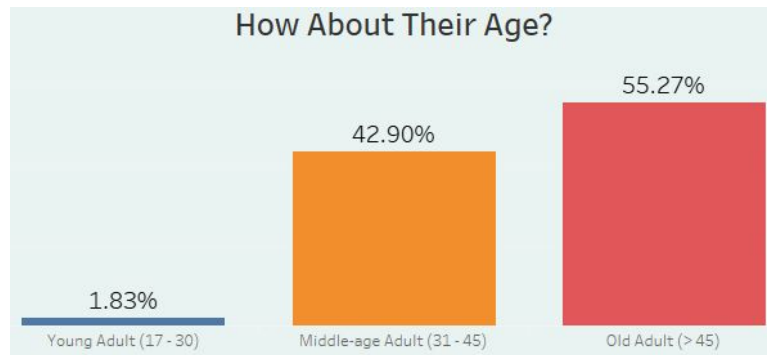
How old male and female churners are?



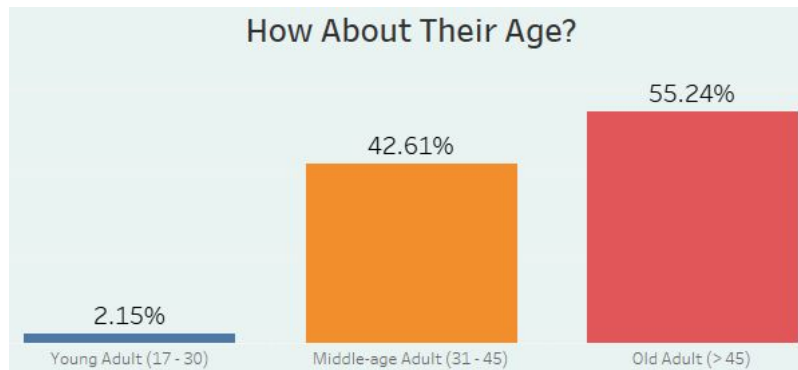
- Based on two bar charts given, we can say that **customer churners** are **middle-age and old adult**.

- We can also say that there is **no significant difference of age between female and male churners**.

Female



Male

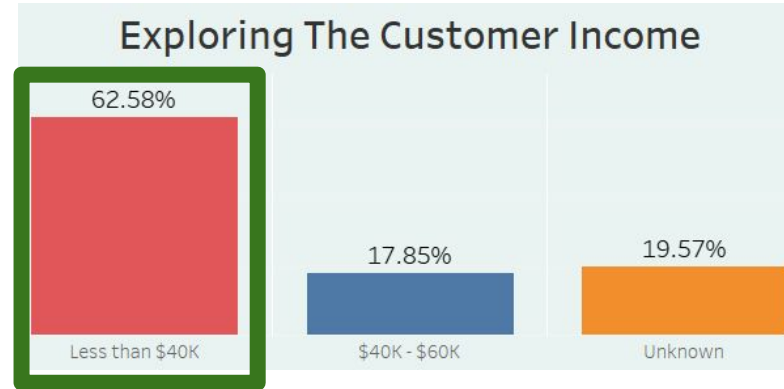


What about their customer income?

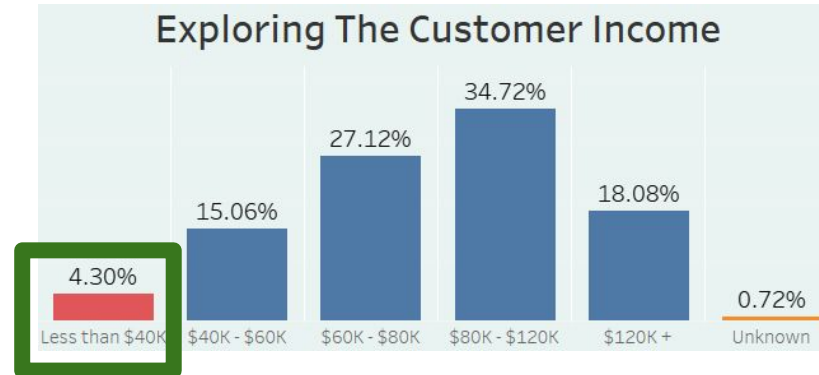
There is a **significant difference** of **customer income per year** between **female** and **male churners**.

This is logical since males mostly work for a company rather than females.

Female



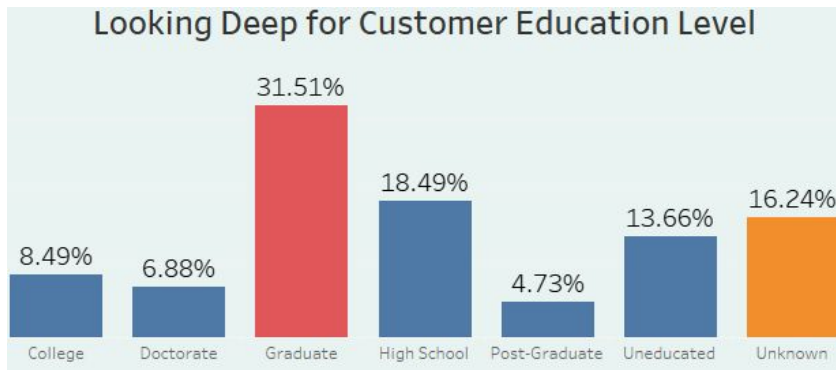
Male



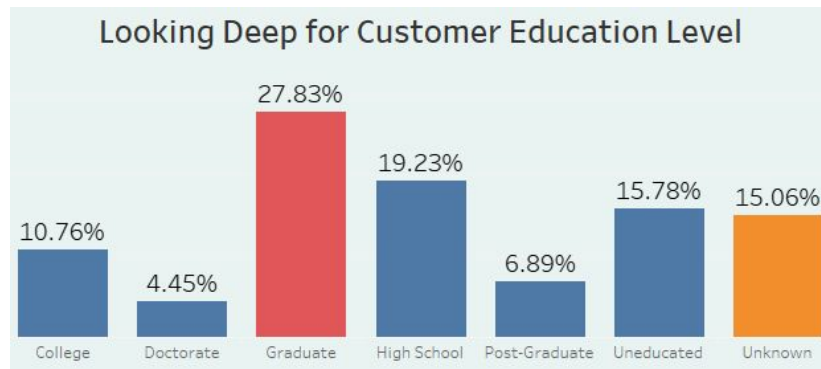
Are they mostly educated well?

Female

There is **no significant difference** of **education level** between **female** and **male churners**. They are mostly **graduates**!

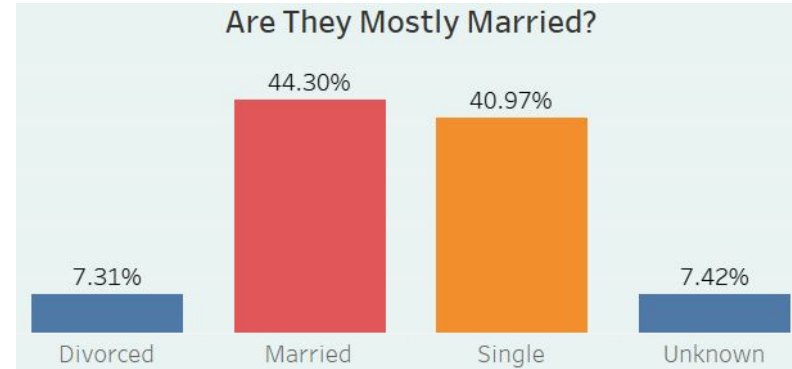


Male

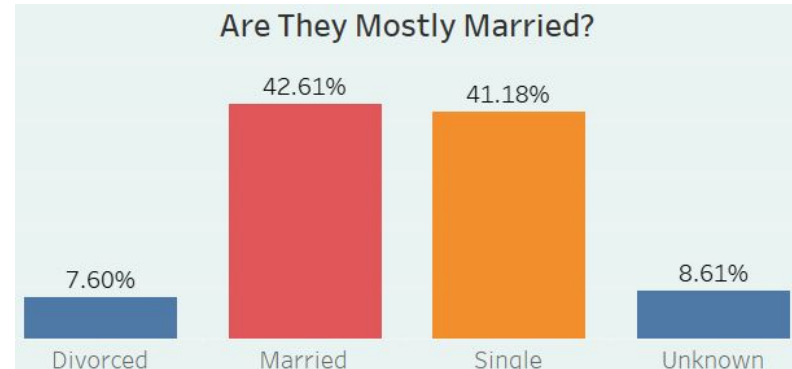


Are they mostly married?

Female



Male

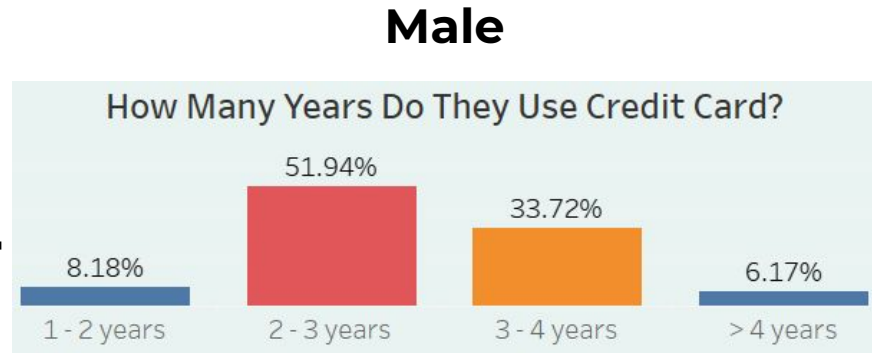
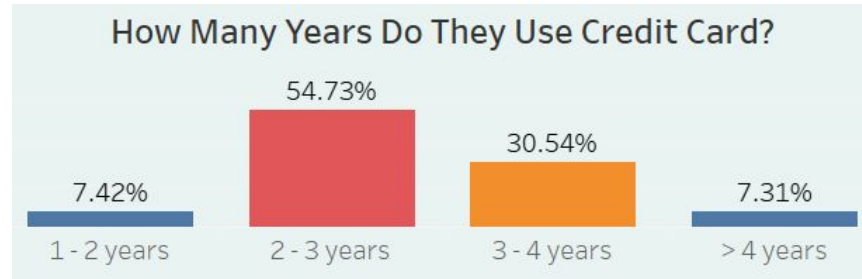


There is **no significant difference** of **marital status** between **female** and **male churners**. They are mostly **married** and **single**!

Looking to their credit card activity (1)

Female

If we take a look at their credit card activity, there is **no significant difference** between **female** and **male churners**. They are **mostly active for 2 to 3 years**.



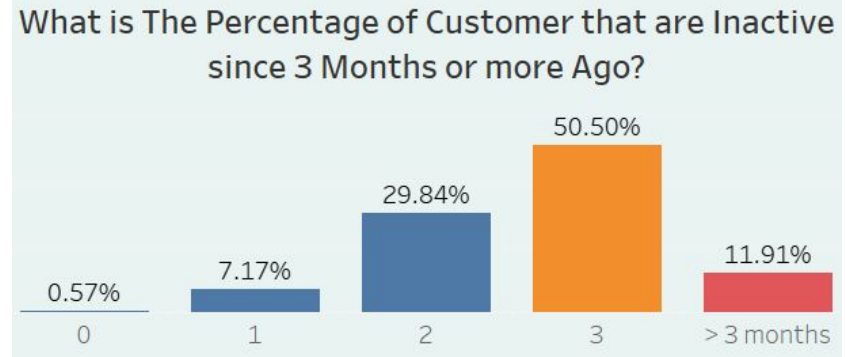
Looking to their credit card activity (2)

Female

They (**male** and **female churners**) are both actually **inactive** of using credit card **since 3 months or more ago!**



Male

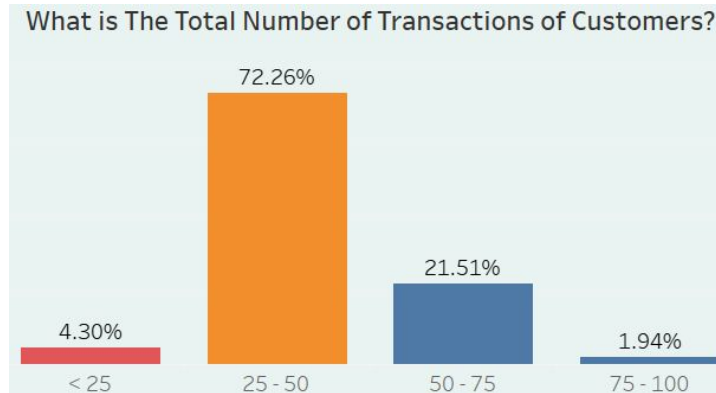


Both male and female do less transactions! (1)

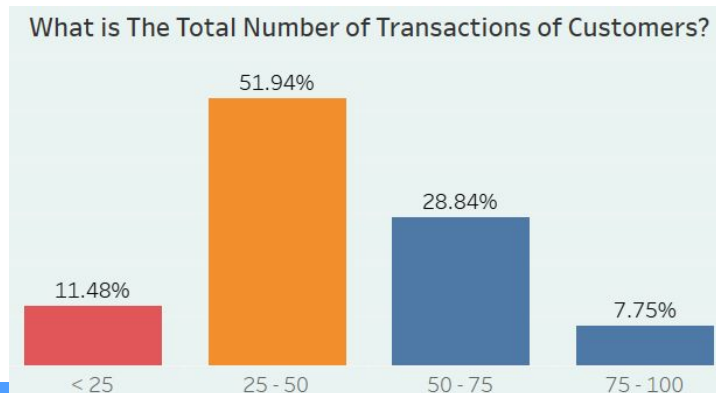


It is interesting that **male churners** are actually **do more transactions** than **female churners**. At least, the male bar chart one is roughly distributed!

Female



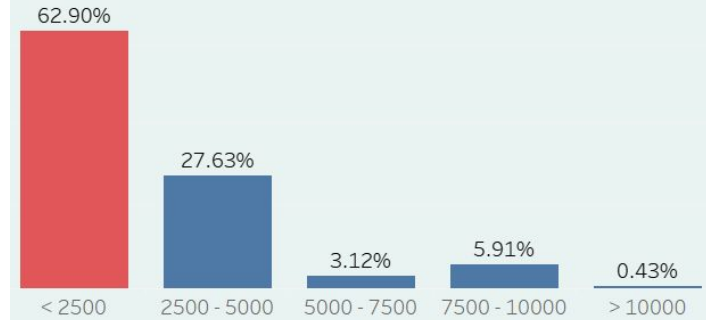
Male



Both male and female do less transactions! (2)

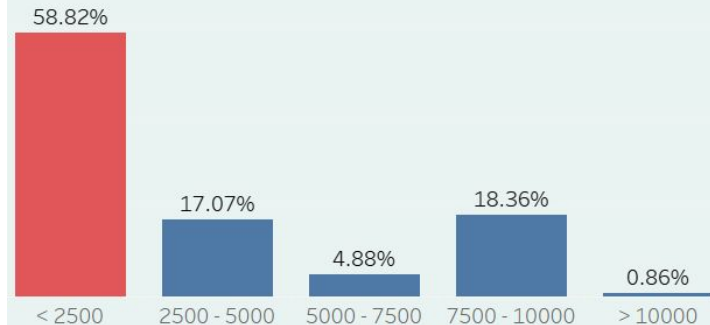
Female

What is The Total Transaction Amount of Customers?



Male

What is The Total Transaction Amount of Customers?



Since **male churners** do more transaction, then their **total transaction amount** is **higher** than the female ones.

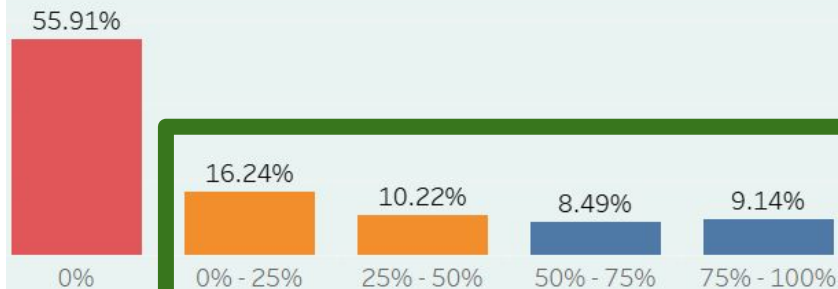
Who is the most one to utilize the credit card?

Female

Male churners are actually **more seldom to use credit card services** than the

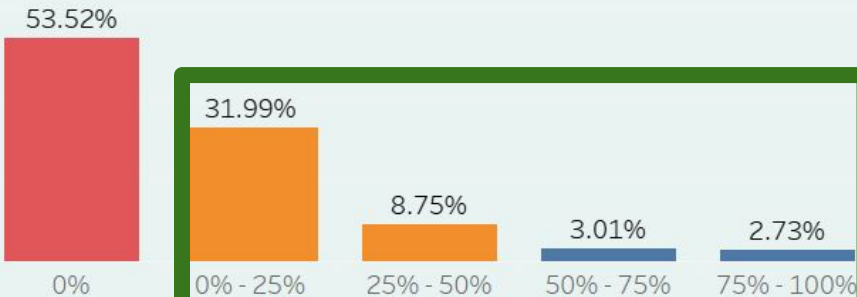
female ones since only 2.73% of them use it 75% or higher.

How About Their Average Utilization Rate of Credit Cards?



Male

How About Their Average Utilization Rate of Credit Cards?



What the insights we get?

- The bank churners or the attrited customers are mostly **females** who are **31 years old and older**. They are mostly **graduates** who are **married or single** and has **income less than \$40 K per year**.
- The **demographic of all women attrited customers** is **proportional** to the **demographic of all customers**.
- **1/3** of all **attrited customers** have a **relationship with the bank** for **2 - 3 years** (which is average loyalist) but they are **hibernating of using credit card** for **3 or more months**.
- **39%** of all **attrited customer** have **less than 100 transactions** and their **transactions** have **its total amount less than \$ 2.5 K**.
- Only **customer income per year** makes **the characteristics** of **male** and **female churners** differ significantly.
- **Male churners do more transactions** and **have higher total amount transaction** than female one but they are actually **more seldom to use credit card** services.

Recommendations



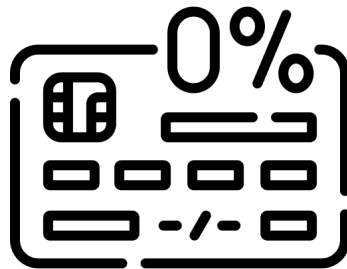
04



Recommendations



Educate customers
that are going to
leave using credit
cards such as **how**
to use credit cards
properly

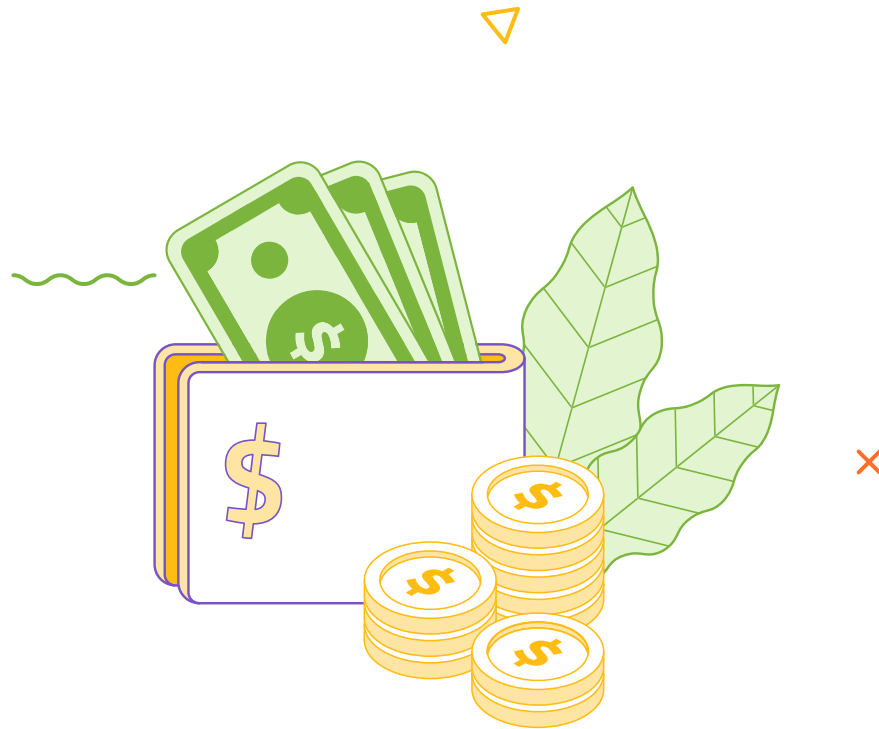


Give them **annual**
fee reduction or
waiver per year.



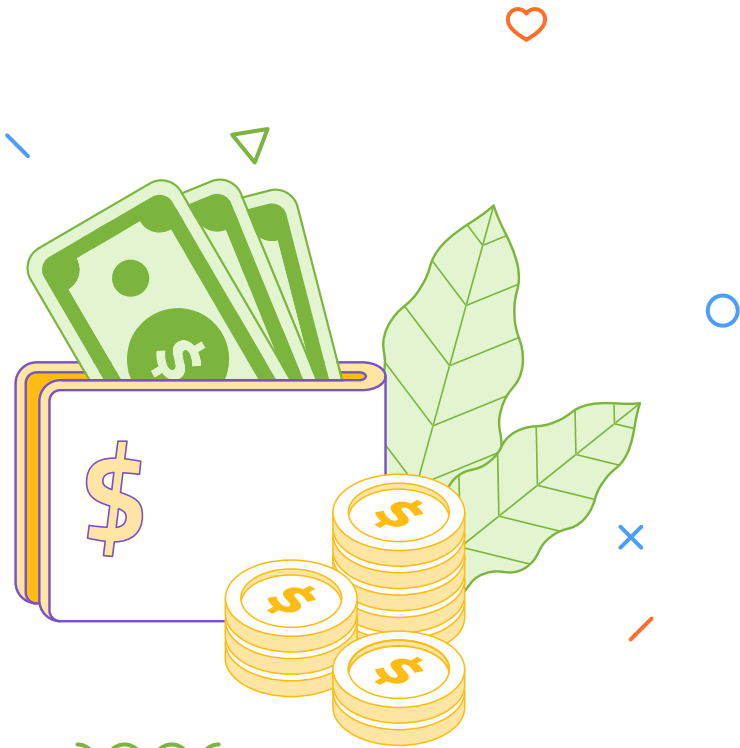
Give them **bonus**
points for these
customers that
spend certain
amount of money

Thank you!



Thank you!

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Appendix

Dashboard Link



Bank Name

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