



# Bank Credit Cards Project

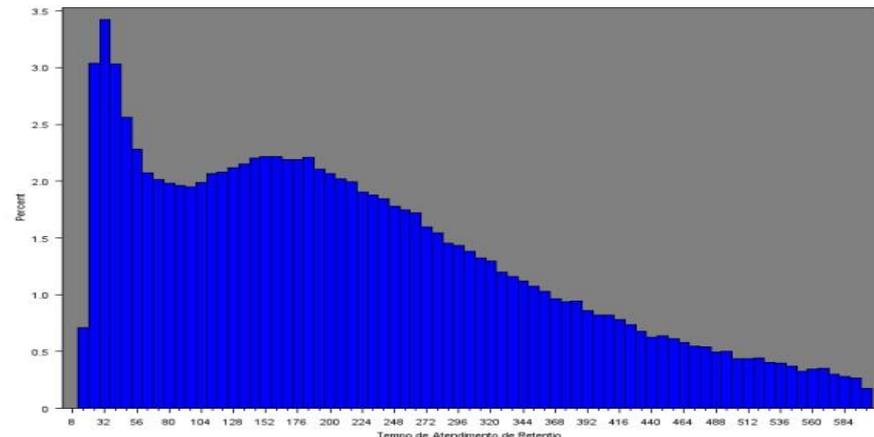
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28<sup>th</sup> WCARS

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# ITAU Credit Card Project—Credit Card Retention

- **Scenario:** Clients call the bank asking for a reduction of their card fees. Bank representatives offer discounts to clients to retain their accounts.
- **Accomplished Objectives:** identify the situations of loss of revenue in the negotiation of fees caused by bank representatives, as follow:
  - bank representatives offer higher discounts than allowed
  - bank representatives usually offer the highest allowable discounts without putting enough efforts to negotiate lower discounts
  - bank representatives offer discounts without any negotiation with the clients
- **Additional Findings:**
  - Negative discounts
  - Inactive bank representatives
  - Unreasonable short calls

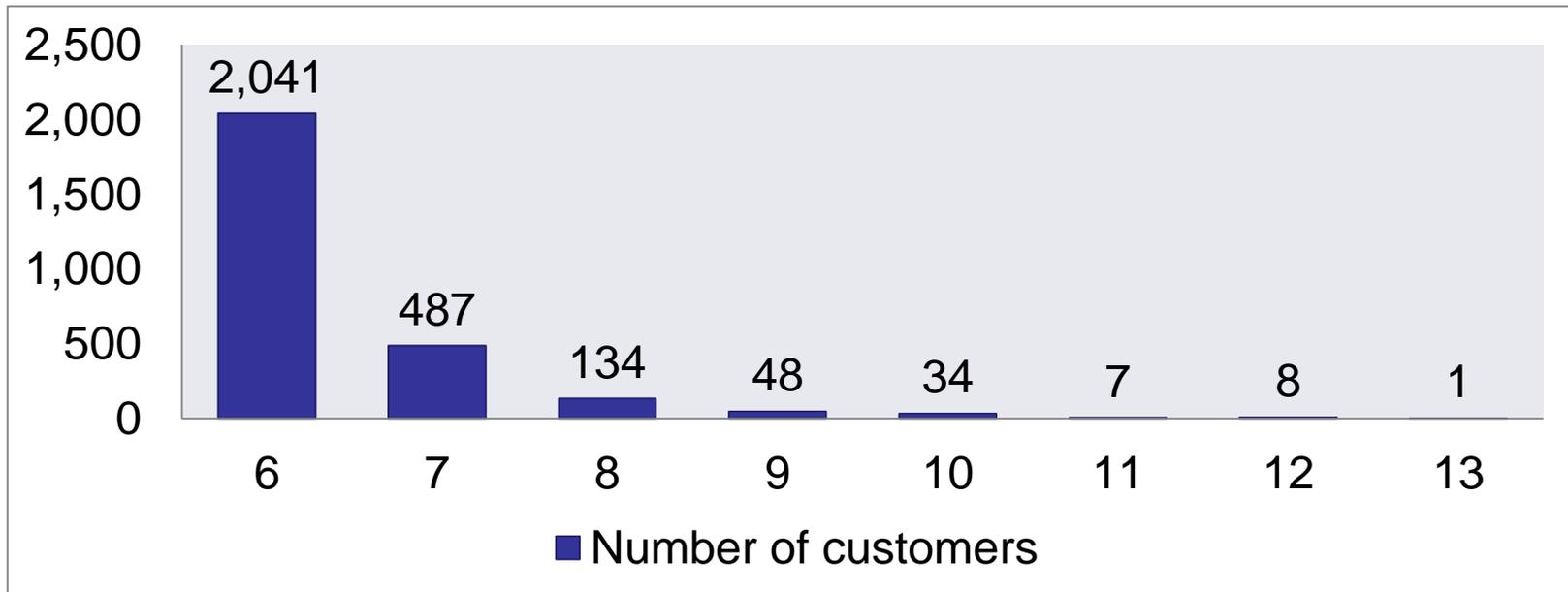


# ITAU Credit Card Project—New Focuses

- **Civil Lawsuit**
  - Top reasons of civil lawsuits
  - Relationship between operational loss and civil lawsuits
  - Predictive analysis of clients who may cause civil lawsuits
- **Disputes/Frauds**
  - Main reasons of disputes and frauds
  - Relationship between operational loss and disputes
  - Predictive analysis of clients who may involve in disputes/frauds
- **Credit: Delinquency**
  - Suspicious clients behaviors (incompatible number of cards/credit limits with clients' incomes/profession)
  - Profile clients based on their behaviors
- **Money Laundering**
  - Atypical clients behavior (incompatible transaction behavior with clients' income/profession)
  - Profile clients to predict money laundering

## Preliminary Analysis (1/2)

- We identified 3,054,442 customers who have more than 1 active credit cards. Among them more than 99.6% customers have less than 5 active credit cards.
- Frequency Distribution of customers having more than 5 active accounts is shown as follow.



## Preliminary Analysis (2/2)

### Average Income of the Customers Having More than 5 Active Credit Cards

