

## **Developing Card portfolio segmentation strategy**

### **Business challenge**

Challenge is to arrest the declining revenues because of increasing multi-carding and waning annual fees. The task is to build a segmentation framework and develop intervention strategies to building revenue momentum

### **Approach**

Cards portfolio is segmented based on revolve rate, balance and risk score and 11 segments are identified with revenue at stake in each segment. Segment specific intervention strategies are developed to drive balances and fee income.

To execute these intervention strategies various response scorecards and pricing models are developed to cross-sell various products to card customers.

### **Business benefits**

Bank can achieve between 15% to 20% increase in revenue over 24 months, by upgrading customers to higher fee products and cross-selling fee products like Bancassurance and instalment products.