

Pilgrim case study essay sample



**ASSIGN
BUSTER**

In the year of 1999, only about 12% of the customers use online channel.

Most of Pilgrim Bank's customers (around 88%) are offline customers.

“ Are online customers significantly more profitable than offline customers?”

Analysis- t-value (1. 254 VS 3. 459)

In 1999, since the $|t \text{ statistic}| < 1.96$ (5% significance level), it shows that the variable – pilgrim online is statistically insignificant, and does not predict or explain relationship between profitability and the status of the customers (whether the customer is online or not).

However, in 2000, the t value has become 3. 459 (> 1.96). The factor of online has become statistically significant. If the number of online customer increases by 1, the profit increases 20.

– P-value (0. 2099 VS 0. 000543)

The P-value for 1999 is 0. 21, much more than 0. 05, we accept the null hypothesis and conclude that there is no difference between the profitability of online and offline customers. However, in the year of 2000, p value drops to 0. 000543 (smallest customer segment of Pilgrim's Bank.

– Age group 3 (25 to 34 years) is the largest customer segment of Pilgrim's Bank.

Offline segment:

– Age group 1 (less than 15 years) is the smallest customer segment of Pilgrim's Bank.

– Age group 4 (35 to 44 years) is the largest customer segment of Pilgrim's Bank.

AGE

Customer profitability in terms of age

The profitability of the customers is in relation to customer's age. The younger the customer is, the less profitable the customer is to Pilgrim's Bank.

The older the customer is, the more profitable the customer is to Pilgrim's Bank.

AGE

Customer Profitability in terms of Age and Status (Online or Offline)

- Age is negatively related to the status of being online. The mean of age for online customers is 3. 26, significantly lower than the overall mean of 4. 04.
- Younger customers are more interested in online channel compared to older customers.

INCOME

Customer Profitability in terms of Income Segment Size

There is a similar pattern (in size) between both online and offline income group segments even though there are fewer online customers.

INCOME

Customer Profitability in terms of Income

- The profitability of the customers is in relation to customer's income. • Customers with higher income tend to generate higher profitability.

GEOGRAPHIC LOCATIONS

Customer Profitability in terms of District Segment Size

It is clearly shown that most Pilgrim Bank's customers are predominantly in district 1200.

GEOGRAPHIC LOCATIONS

Customer Profitability in terms of District

It can be shown that the profitability of the customers is in relation to customer's district segment size. The larger the district group, the higher the profit of customers from that district.

CONCLUSION

Customer Profitability in terms of Age, Income and District

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Customer Profitability in terms of age, income and district