

# **A PROPOSAL FOR A CREDIT CARD COMPARISON TOOL ON CRED**



**CRED**

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# Problem Statement

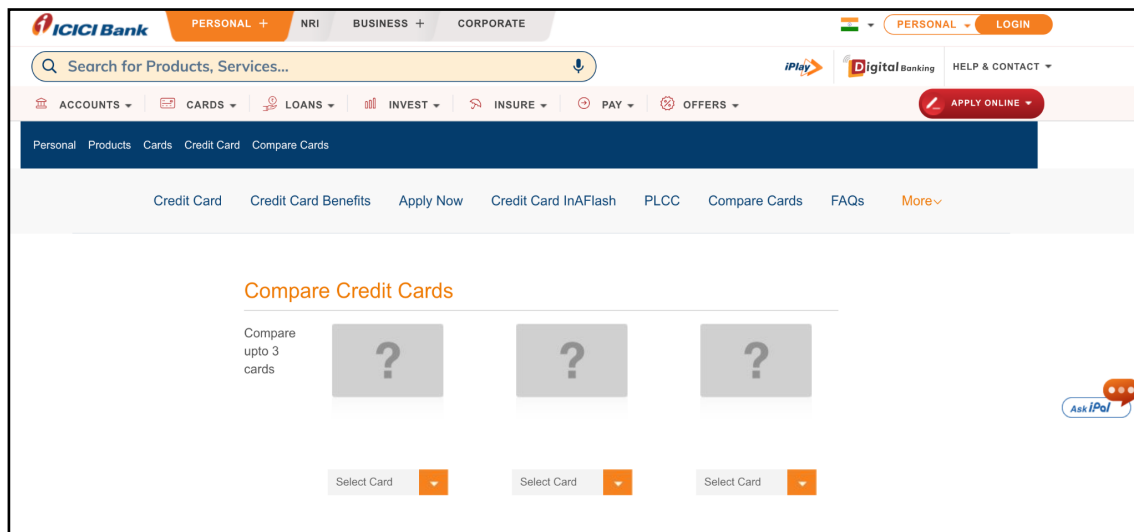
Very often, the user does not know whether the credit card that he/she is using is the best one for his/her use case. Sometimes, users are sold credit cards which don't have good benefits or offers. Hidden costs and other charges are not explained. Thus, the user misses out on the benefits of using a credit card.

- **User's Problem:** I don't know if I am using the best credit card in the market.

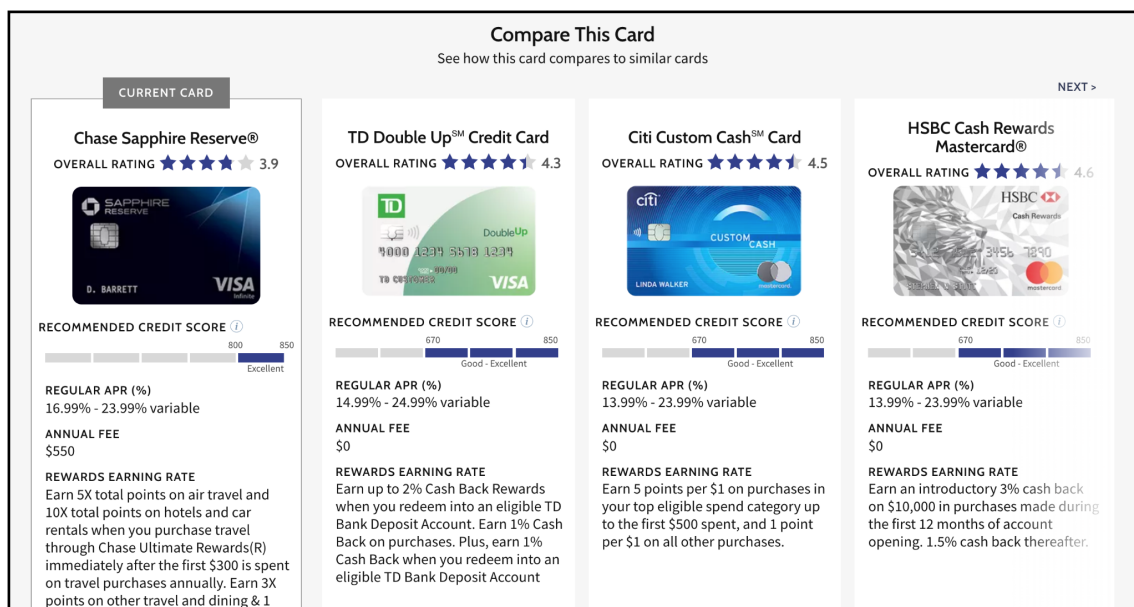
# How Do We Know That We Have A Problem?

Existing comparison tools don't serve customer needs. Here's a survey of credit card comparison tools in the market.

1. ICICI has a decent credit card comparison tool ([Compare Credit Cards Online - Compare & Apply For Credit Cards Online in India](#)) . But it helps you to compare only ICICI credit cards.



2. Investopedia has an excellent tool for credit card comparison. But it does not serve the Indian customer. (**Note:** This feature is currently not available on the website)



3. The tool provided by Paisabazaar ( ) doesn't have any drop down menus. The cognitive load while comparing is quite high.

Credit Card

 4.1 / 5  
(25634 Reviews )

With so many credit cards available in the market offering benefits across multiple categories, choosing the best credit card in India for you can be a difficult task. To make your search for the right credit card easier, here we have listed the top 10 credit cards in India offered by leading banks and card issuers. You must compare the [best credit cards](#) in India in terms of their annual fee, features, benefits and offers and then apply for credit card that best suits your needs.

**Top 10 Credit Cards in India**

Credit Card	Annual Fee	Best Suited For
<a href="#">Axis Bank Ace Credit Card</a>	Rs. 499	Cashback
<a href="#">Amazon Pay ICICI Bank Credit Card</a>	Nil	Online Shopping
<a href="#">HDFC Regalia Credit Card</a>	Rs. 2,500	Shopping and Travel
<a href="#">BPCL SBI Card Octane</a>	Rs. 1,499	Fuel
<a href="#">Citi PremierMiles Credit Card</a>	Rs. 3,000	Air Miles
<a href="#">HDFC Moneyback Credit Card</a>	Rs. 500	Beginners
<a href="#">SBI Card ELITE</a>	Rs. 4,999	Shopping, Travel and Movies
<a href="#">American Express Platinum Travel Credit Card</a>	Rs. 5,000	Travel
<a href="#">YES FIRST Exclusive Credit Card</a>	Rs. 9,999	Reward Points
<a href="#">RBL Platinum Maxima Credit Card</a>	Rs. 2,000	Movies

**Top Banks and Credit Cards Issuers in India**




4. Tool provided by creditmantri () doesn't allow you to compare different cards. It is just a credit card discovery platform

Credit Card >> 70+ Offers

**Credit Card**

Credit Card online Apply for Best Credit Cards From HDFC Bank ✓ ICICI Bank ✓ Citibank ✓ SBI Bank ✓ AXIS Bank ✓ HSBC Bank ✓ INDUSIND ✓ KOTAK ✓ RBL ✓ SCB ✓ YES Bank ✓ Card Types Shopping Cards, Fuel Cards, Travel Cards, Cashback Cards, Lifestyle Cards ✓ Get Instant Online Approval at creditmantri.com. Choose from over 57+ credit cards suitable for your credit score. Get high approval chances. No/minimum annual and joining fees. Rewards on groceries, dining, fuel, movies. Check free eligibility in 1 minute.

70+ Offers Bank Choose Bank Categories Choose Categories Fee Choose Fee Reset

 Citi Rewards Card ★★★★☆ Four Stars	Annual Fee NA	Reward Type Rewards	Joining Fee Nil*	<a href="#">CHECK ELIGIBILITY</a> Know More »
<a href="#">View Details</a>				
 Citibank Premier Miles Card ★★★★☆ Four Stars	Annual Fee NA	Reward Type Travel	Joining Fee 3000₹	<a href="#">CHECK ELIGIBILITY</a> Know More »
<a href="#">View Details</a>				
 Citibank Cashback Card ★★★★☆ Four Stars	Annual Fee NA	Reward Type Cashback	Joining Fee 500₹	<a href="#">CHECK ELIGIBILITY</a> Know More »

## Business Case

If CRED were to build a credit card comparison tool within its app, it would have the first user friendly credit card discovery tool in the Indian context.

This can have following benefits

- The feature can increase user satisfaction on the app (NPS).
- It can be a source of revenue for CRED

I think CRED must provide this service as it is a leading Credit Card bill payment app. The customer loyalty and gratitude derived from this is intangible, yet significant. (This can be verified by a survey before we start working on the feature).

One may argue that this opportunity does not offer any monetisation angle. The credit card company can be charged some amount if a customer switches to their card via the CRED app. However it may not become a significant revenue driver.

We can do a survey. If the result survey with existing CRED users looks something like this, it indicates that we have a business case.

- 50% (or more) respondents would be interested to know if there are better credit card options in the market
- 25% (or more) of the respondents are not so happy with the credit card offers they are getting currently
- 50% (or more) respondents are unhappy with the existing credit card comparison tools in the market.

# **User Personas and Stories**

## **Anirudh**

[ Single Male. 24 year old. Software Engineer. Annual Income: 7LPA. Loves Veg and Non-Veg Food. Loves to socialise. Lives in a metro city. ]

A recently graduated student who has migrated to Gurgaon. He orders food on Swiggy/Zomato multiple times a day. He has to pay rent for his landlord and eats out quite often. However, his card doesn't provide many offers on Swiggy/Zomato. He is probably considering a few cards that offer discounts, but he's not sure if they are better than ones he has. He's savvy and uses CRED already.

## **Shweta**

[ Recently married. 28 year old. Doctor and homemaker. Annual Income: 8 LPA. Self-proclaimed shopaholic; shops trendy clothes on Amazon. Buys grocery online to save time. Prefers to spend from her own income and lives in a tier-2 city. ]

Shweta is an independent woman who is a 'shopaholic' and regular customer of e-commerce platforms. Her current credit card rarely provides discounts. The bank offers a flat 2% cash-back on all purchases. She is not aware of other credit cards in the market. Switching costs and cognitive effort required to compare other cards is too high for her. She's already busy.

## **Mary**

[ Widowed lady. 59 year old woman; retired lecturer. She draws pension every month. Has a lot of medical expenses. Her kids live abroad. She gets by with help from relatives and neighbours. Lives in a metro city. ]

It would be awesome if Mary can get some discounts on her medical bills. She is aware of online sellers recently, but her card doesn't offer many discounts. She is willing to search for other options. Existing tools on the internet are too complicated. So, she decides to keep her existing card. She's seen CRED ads once or twice, but she thinks that the app doesn't offer anything substantial to her.

# **High Level Approach Towards The Solution**

This solution can enable the users to discover the best credit cards in the market (irrespective of the bank or brand) for their needs. Users can compare their existing credit card's features with those of the best cards and make a switch if they wish to.

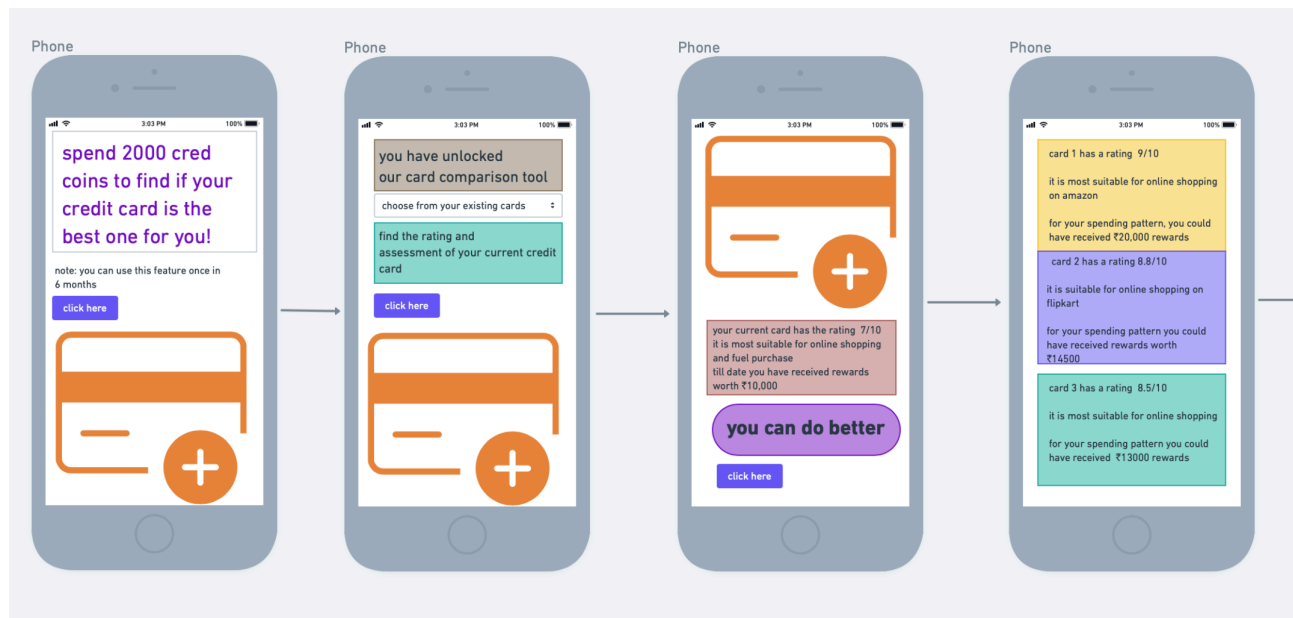
The credit card comparison tool ensures that the user

- Gets to compare his/her existing credit cards with other similar cards in the market.
- Gets to know if he/she is using the best credit card for his/her spending patterns
- Gets reliable information in case he/she wants to change his/her existing credit card in future

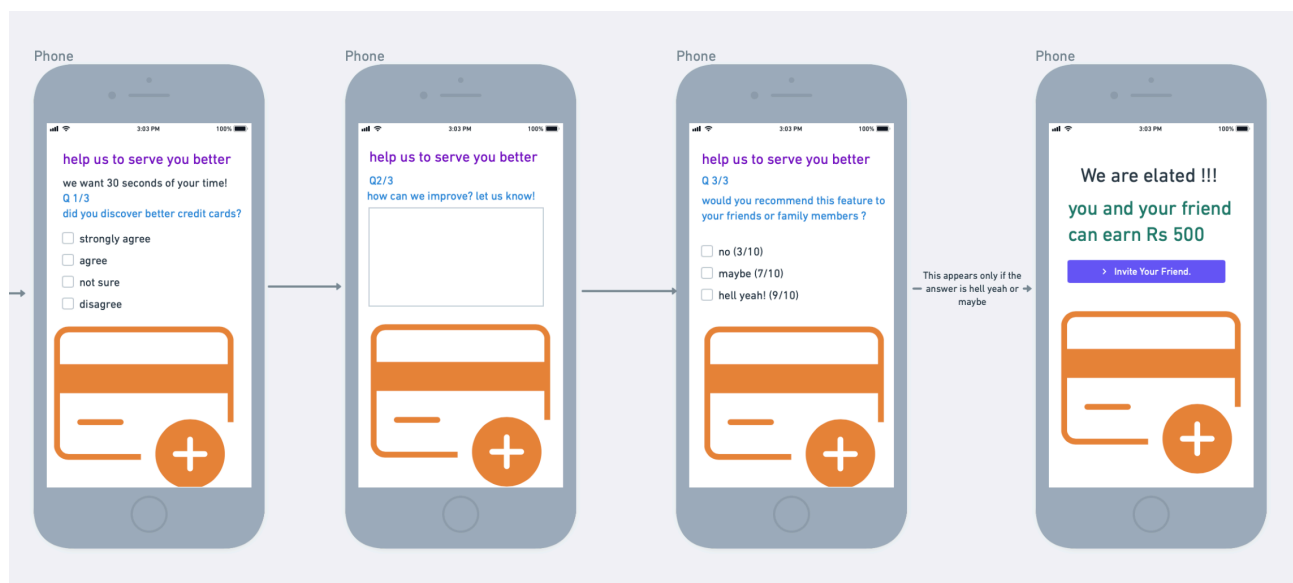
# User Journey On The Product

Multiple user journeys are possible when the user tries CRED's comparison tool. A rough wireframe of each scenario is provided below.

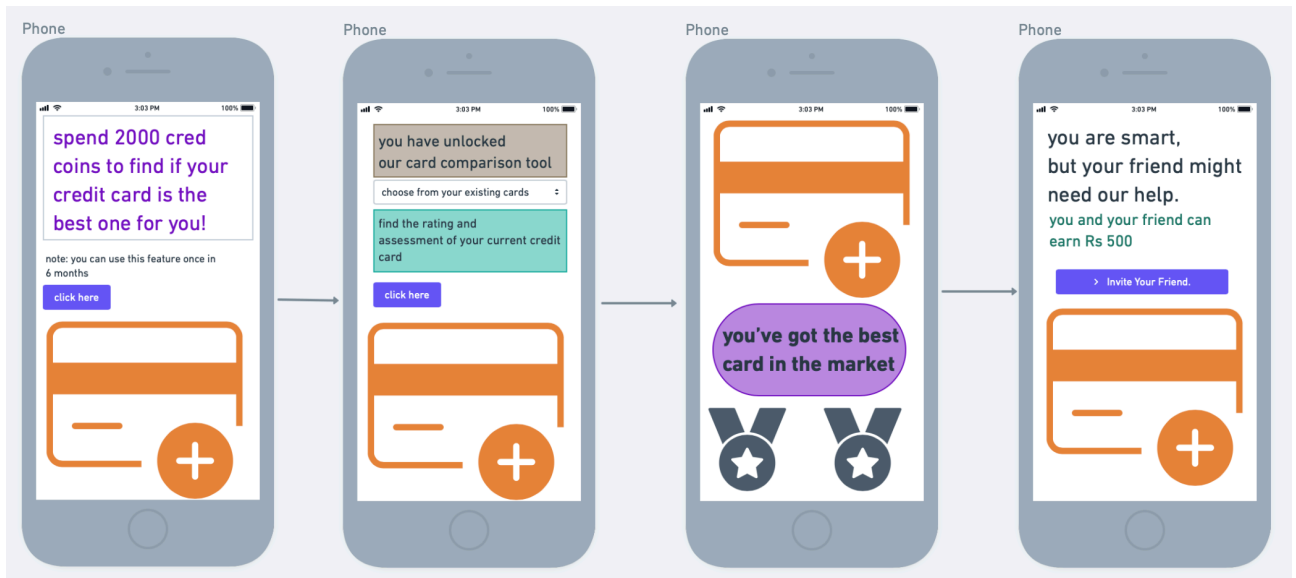
- **Scenario 1:** A user has a sub-optimal card → In this case, the user will be shown the top three cards that can provide him or her the best credit card experience.



(Continued ..)



- **Scenario 2:** A user already has the most optimal card → In this case, we will tell the user the truth and not provide any suggestions.



- **Scenario 3:** In case we don't have enough data on the user's spending pattern, we can simply tell them to check after we have access to spending data of at least three months.





# **Function Spec Of The Product**

**Backend database** → Need to build a database of all credit cards in the market and categorise them based on their features (rewards, interest rates, annual fees, security features). **Note:** Need to collect images of all available credit cards in the market as part of this database.

**Rating system** → Need to build a rating system to score a card on a scale of 10.

**Reward prediction mechanism** → Need to build a reward mechanism tool. It should be able to predict the expected rewards earnings for a given spending profile.

**Input** → Need to obtain credit card spend pattern for a minimum of three months.

**Output** →

- Rating for existing card based on interest rate, rewards, annual fee and security features (quantified by low number of reported frauds)
- Three credit cards with higher rating which could have fetched higher reward for same spend (along with approximate reward that could have been earned by the user)
- If enough data is not available → Return Insufficient data to suggest better credit cards. Check this space on \_\_\_\_\_ date.
- If the card already has the best rating and best returns for the spend pattern → Return “This card is the best one in the market. Congrats”.

## **Running the test**

This feature must be launched to a small group of CRED users (10% of the users) before it is launched across the platform. Ideally these users must be the oldest and stickiest customers. The feature can be launched with a disclaimer (beta testing).

The test user group should have a representative cohort of users.

- Salaried people and businessmen
- Men and women
- Millenials and boomers

The user must be nudged to answer a survey right after using the tool. He/she can be asked the following questions.

- Did you discover better credit cards?
- Would you recommend this feature to others?
- Share any other comments/feedback

We can also interview some of our initial users to get deeper feedback. The test can be run for a month and the data collected can be analysed. We can build a better version and launch it to 30% of the users and learn again before launching another version. The V3 can be launched to 50% of the users. Finally the fine tuned version can be launched to all users.

**Success criteria:**

During testing phase (10% cohort):

- At least 20% of the test group should try out the feature.
- At least 20% of the users who tried the feature must recommend the tool to others.
- NPS should be above 5.

During testing phase (30% cohort):

- At least 30% of the test group should try out the feature.
- At least 30% of the users who tried the feature must recommend the tool to others.
- NPS should be above 6.

During testing phase (50% cohort):

- At least 40% of the test group should try out the feature.
- At least 40% of the users who tried the feature must recommend the tool to others.
- NPS should be above 7.

After full fledged launch (100% cohort):

- At least 50% of the users should try out the feature.
- At least 50% of the users who tried the feature must recommend the tool to others.
- NPS should be above 8.
- Referrals should be up by 20%. [Until we max out on the eligible customer base in the country]

## **Milestones To Be Achieved**

- V1: 2 months :
  - Build a database of credit cards and provide star ratings to each of the cards. (1 month)
  - Analyse spending patterns of the employees within CRED and see how they can get best recommendations. (1 month)
- V2: 5 months -
  - Note down all negative feedback (1 month).
  - Workout solutions for each significant drawback ( 2 months).
  - Build improved solutions to solve each issue (2 months)
- V3: 2 months
  - Note down feedback and potential pitfalls identified by each expert. (1 month)
  - Resolve issues and get their stamp of approval (1 month)
- V4: 2 months
  - Monitor the product and continuously improve as and when required.

## **Risks And Tradeoffs**

We should make sure that we are not biased towards any credit card company. The algorithm will be proprietary IP driven by data and logic. Though it can't be made public, CRED should be in a position to assuage concerns of banks & credit card companies. The legal team has to check if there are regulatory impediments to the initiative and mitigate the consequences. If there is a regulatory barrier, the whole initiative won't be feasible.