

# Lending Club Case Study

By

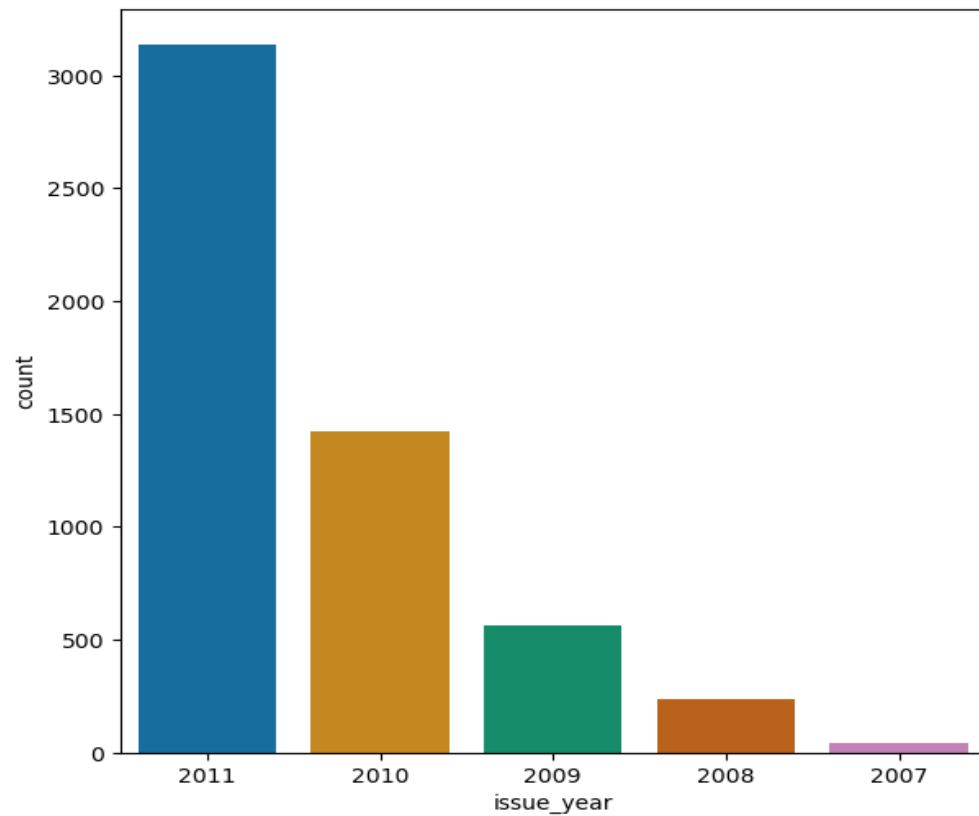
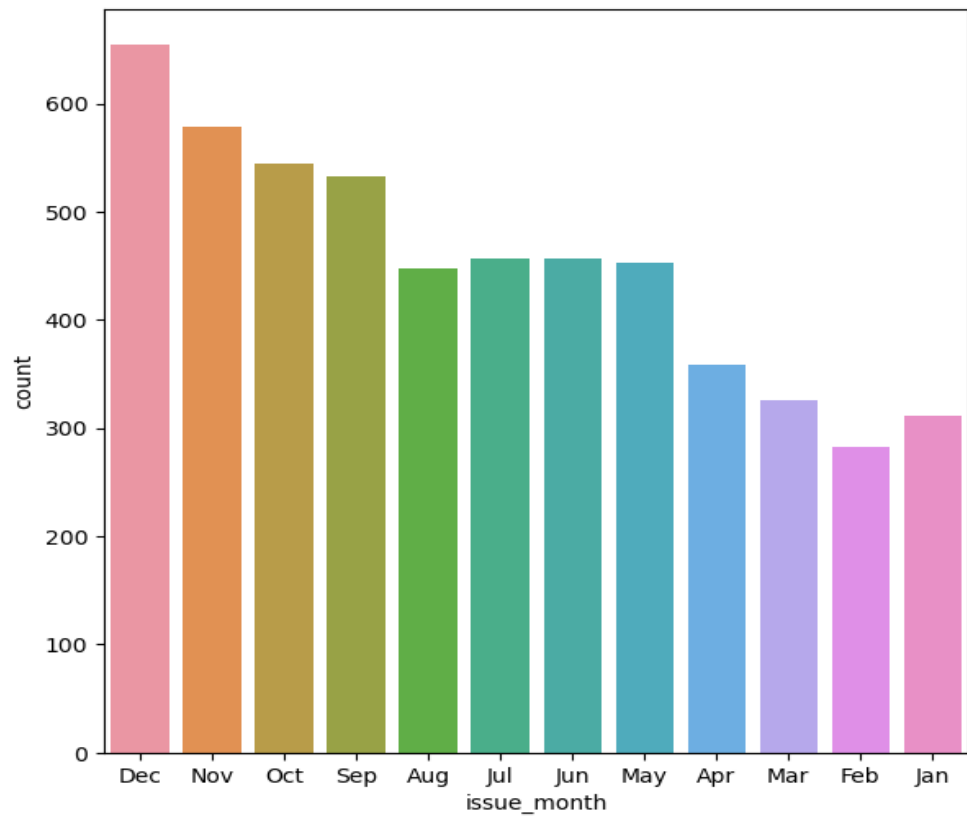
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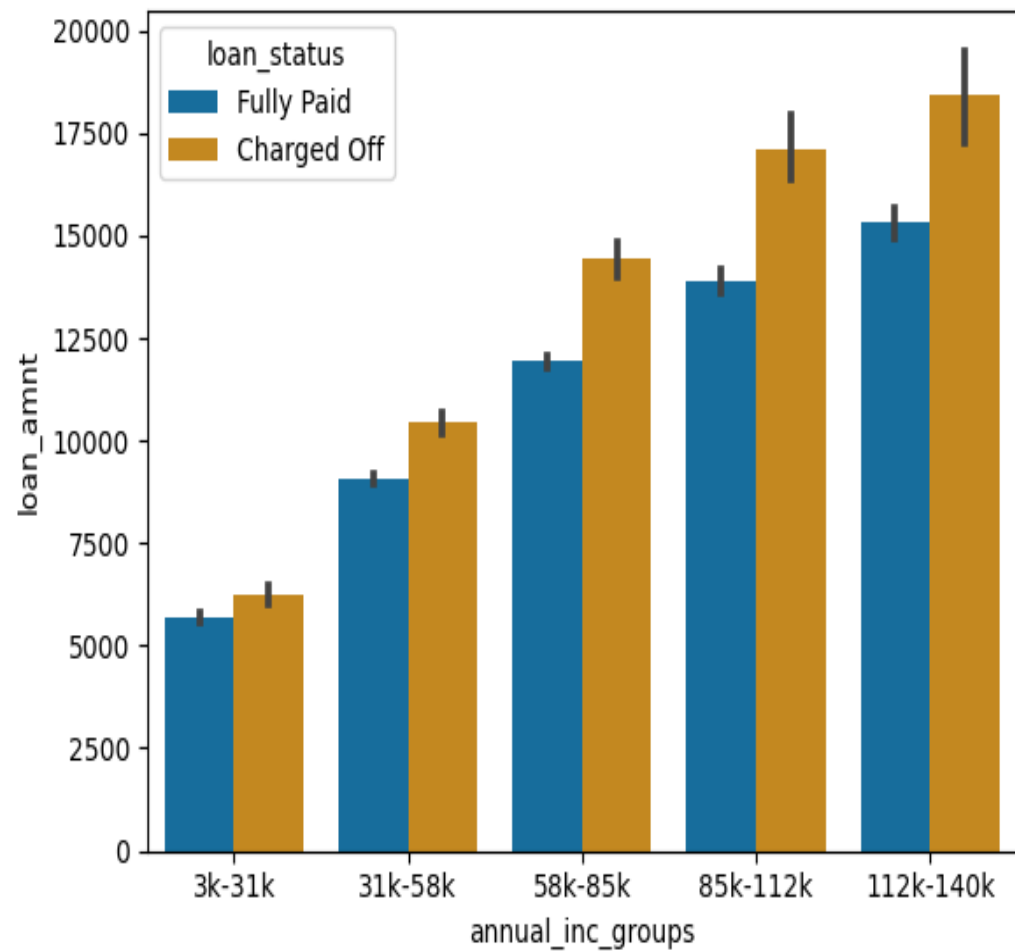
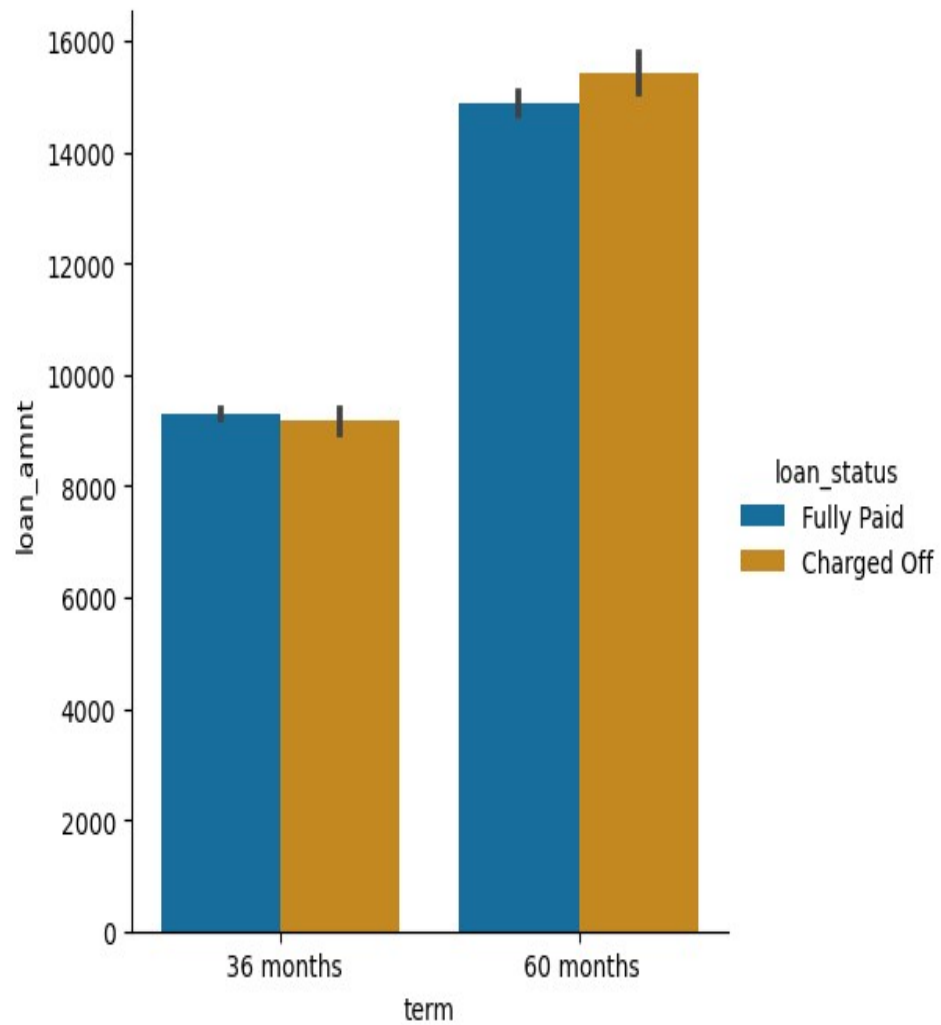
## Case Study

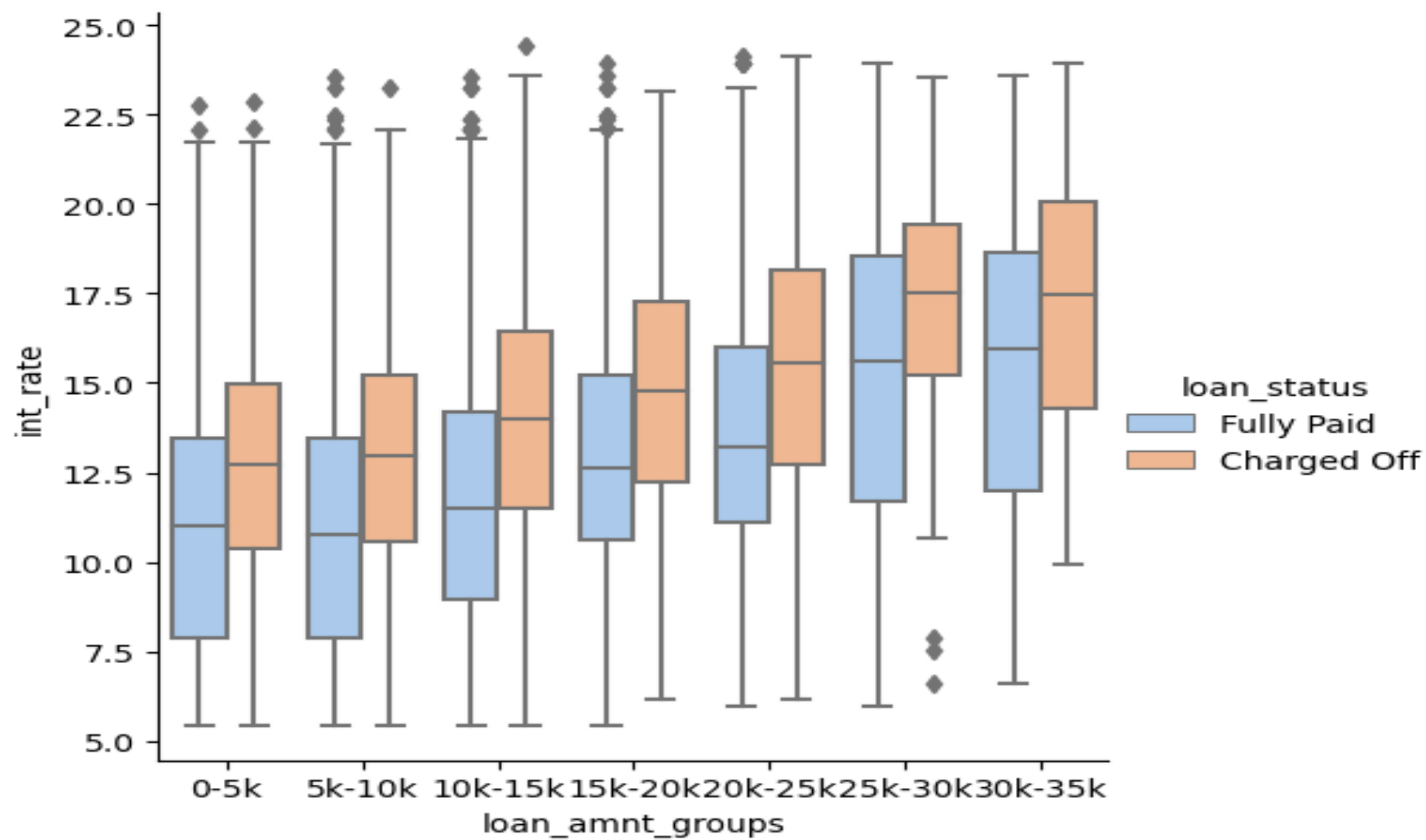
- Lending club is the largest online loan marketplace, facilitating personal loans, business loans, and financing of medical procedures.
- Borrowers can easily access lower interest rate loans through a fast online interface.
- The objective of analysis is to use the information about past loan applicants and find whether they 'defaulted' or not.

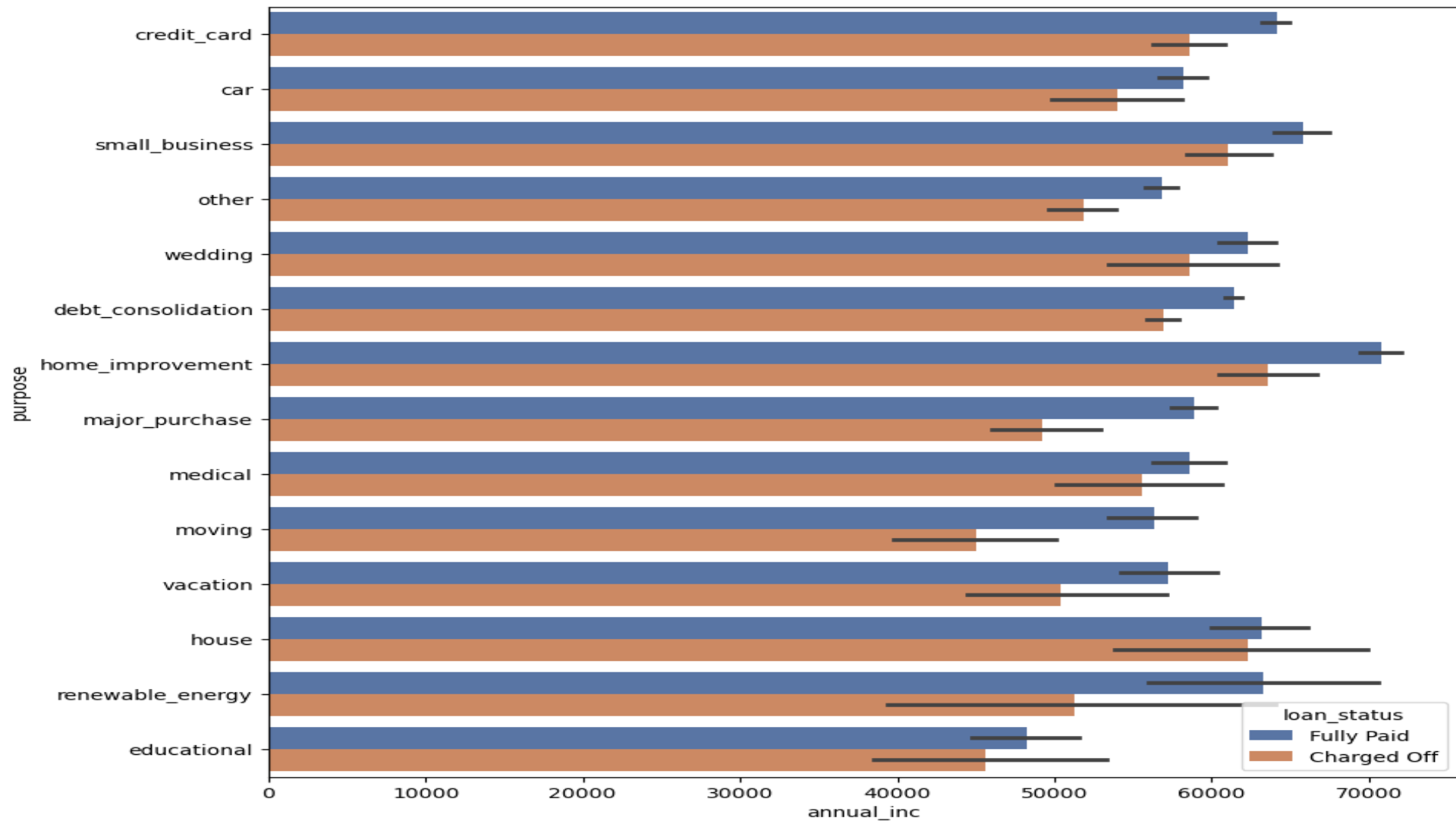
- Problem solving methodology
  - Data Cleaning
  - Data Understanding
  - Data Analysis
    - Univariate Analysis
    - Segmented Univariate Analysis
    - Bivariate Analysis

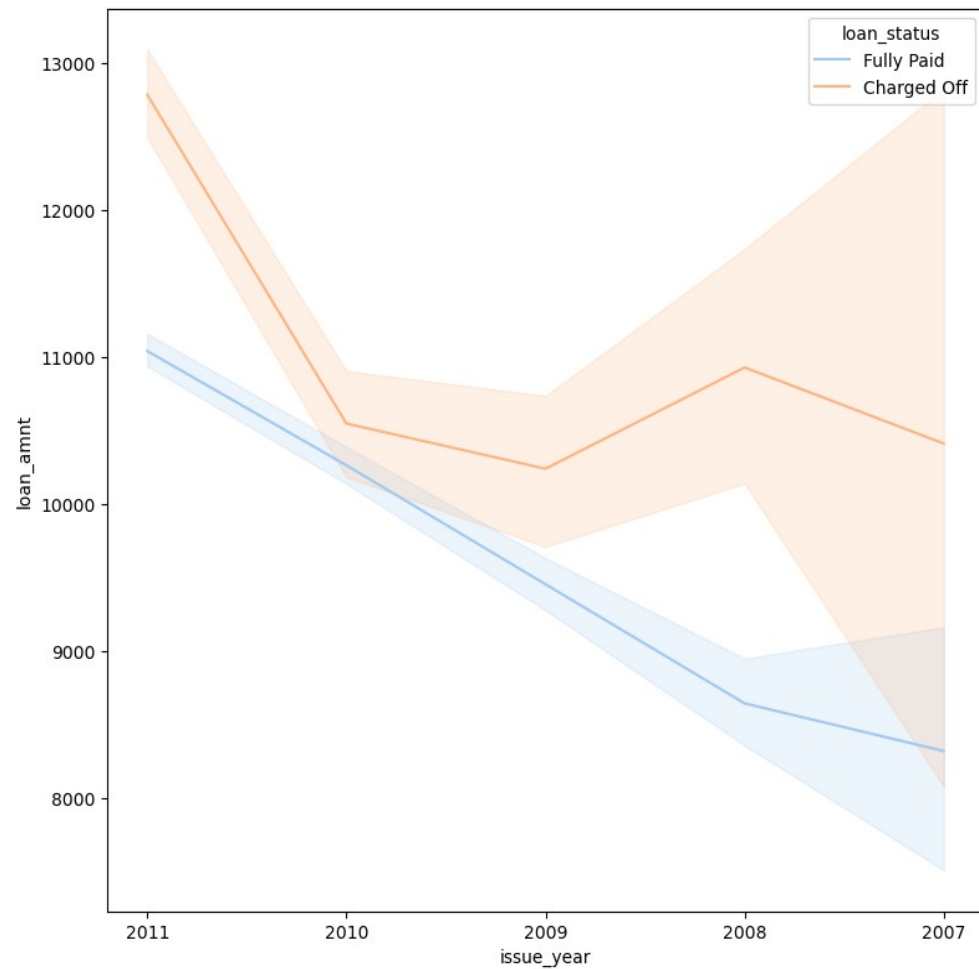
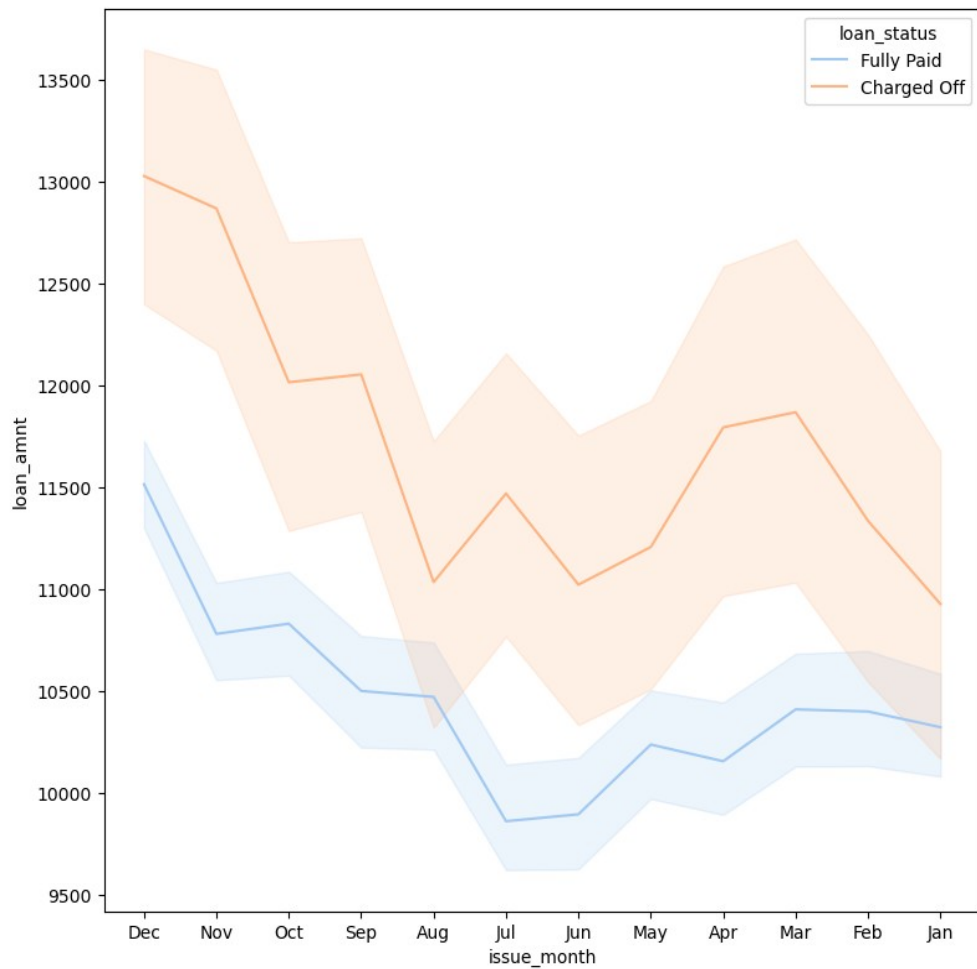
- Analysis



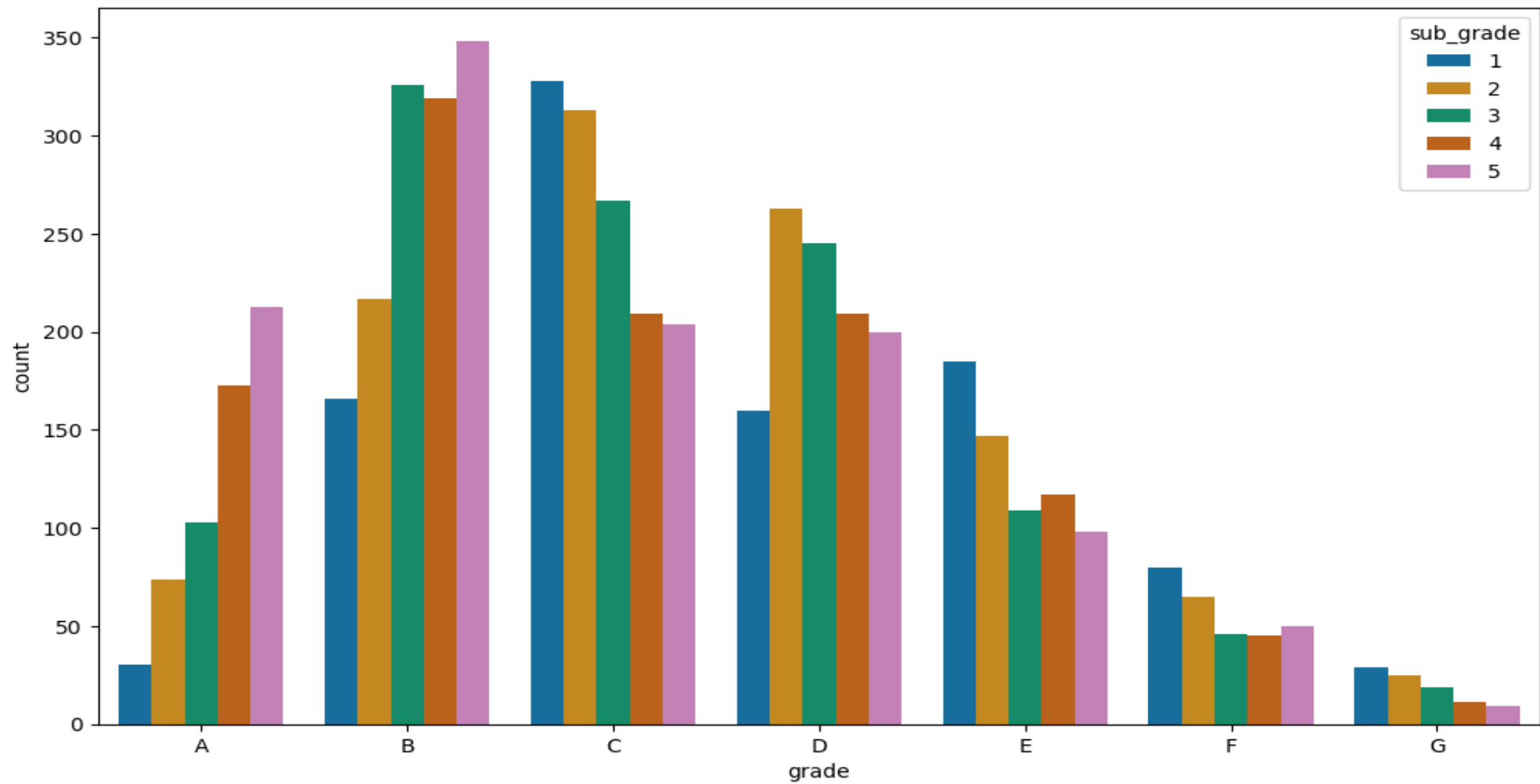












## Conclusions

- Lending club should reduce the high interest loans for 60 months tenure, they are prone to loan default.
- Grades are good metric for detecting defaulters. Lending club should examine more information from borrowers before issuing loans to Low grade (G to A).
- Lending Club should control their number of loan issues to borrowers who are from CA, FL and NY to make profits.
- Small business loans are defaulted more. Lending club should stop/reduce issuing the loans to them.
- Borrowers with mortgage home ownership are taking higher loans and defaulting the approved loans.
- Lending club should stop giving loans to this category when loan amount requested is more than 12000.
- People with more number of public derogatory records are having more chance of filing a bankruptcy.
- Lending club should make sure there are no public derogatory records for borrower.