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# Using Autorank, Missingno and Machine learning algorithm to predict bank deposit from clients

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CMSC 6950 - COMPUTER BASED RESEARCH TOOLS AND APPLICATIONS

TERM PROJECT

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SUBMITTED BY

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# Abstract

This paper presents how to recreate and build upon the data analysis as well as make modification to the code. The project is focused on how the banking industry can approach different subset of customers to subscribe to a financial product.

## 1 Data Exploration

### 1.1 Introduction

Machine learning has revolutionized the way we see data today, it is used to extract knowledge from data. Outside of commercial applications, machine learning has had a tremendous influence on the way data-driven research is done today. The bank dataset can be used to predict if customers would subscribe to a bank deposit. The data set is based on the direct marketing campaigns of a Portuguese banking institution. These marketing campaigns were based on phone calls. More than one contact to a client was required, to know if the product (bank term deposit) was subscribed by a client or not.

### 1.2 Dataset Summary

This dataset has 17 columns and 11163 rows. Below is a detailed description of each column:

- age: the age of group of ban customers
- job: type of job (admin., blue collar, entrepreneur, housemaid, management, re-tired, 'self-employed', 'services', 'student', 'technician', 'unemployed', 'unknown')
- marital: marital status (divorced, married, single, unknown; note: divorced means divorced or widowed)
- education: (primary, secondary, tertiary, and unknown)
- default: has credit in default? (no, yes, unknown)
- housing: has housing loan? (no, yes, unknown)
- loan: has personal loan? (no, yes, unknown)
- balance: Balance of the individual
- contact: contact communication type (cellular, telephone)
- month: last contact month of year
- day: last contact day of the week

- duration: last contact duration, in seconds (numeric).
- campaign: number of contacts performed during this campaign and for this client
- pdays: number of days that passed by after the client was last contacted from a previous campaign
- previous: number of contacts performed before this campaign and for this client
- poutcome: outcome of the previous marketing campaign (failure, non-existent, success)
- deposit: has the client subscribed a term deposit? (yes or no)

### 1.3 Attributes Types

Attributes	Types
age	numeric
job	categorical
marital	categorical
education	categorical
default	categorical
housing	categorical
loan	categorical
contact	categorical
balance	numeric
contact	unknown
month	categorical
day	numeric
duration	numeric
campaign	numeric
pdays	numeric
previous	numeric
poutcome	unknown
deposit	categorical

Table 1: Attributes Types

## 2 Implementing different python packages for data analysis

Banks use marketing campaigns as tools to focus on customer needs and their overall satisfaction strategically. Improving customer experience requires truly understanding your customers and relating to them in ways that they understand. This includes taking a 360-degree view of your banking customer and leveraging the gold mine of data available to you today, including:

- Core customer information including contact and location data
- Additional experiential customer information gathered from all stages of the customer life-cycle.
- Transaction information including checking, savings and credit card transactions; loan draws and repayments; investment positions and balances.

Banks of every size are drenched with data, but harnessing and leveraging that organizational data for more effective banking operations has always been a challenge. In the current market, it's more important than ever that you understand customers, products, channels and pricing – all to ensure it is tailored towards product offerings to customers while maximizing the potential revenue.

Using transaction and core customer information, you can determine the life stages and family dynamics that allow for better product bundling and targeted marketing for your customers.

## 2.1 Missingno

Missingno was used for analyzing the dataset to visualize any missing data. It allows for quick visual summary of the completeness of the dataset. [Click for more information on missingno package.](#)

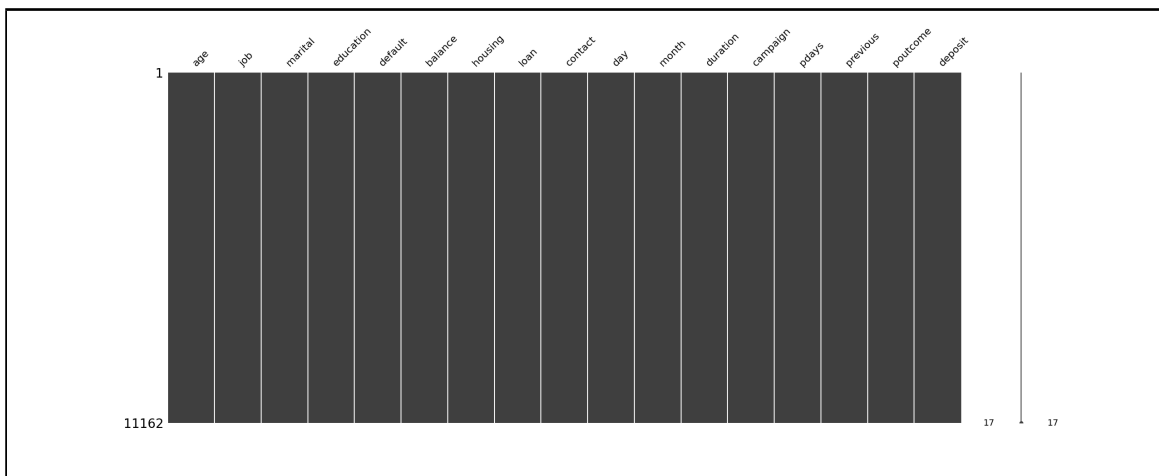


Figure 1: Data Completeness

## 2.2 Autorank

Autorank was used to achieve a quick statistical analysis of the duration of calls made to different clients with different marital statuses. Banks will find this helpful as it will aid them to design different deposit package that benefits everyone. [Click for more information on autorank package.](#)

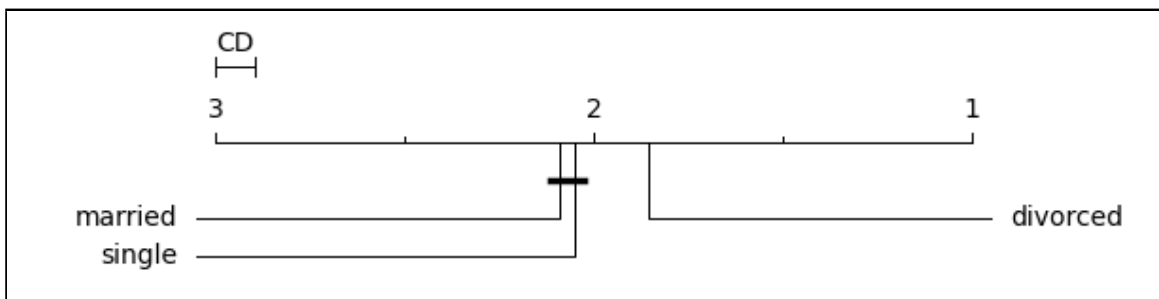


Figure 2: Autorank Plot

The plot shows the number of contacts with different subset of customers during the campaign.

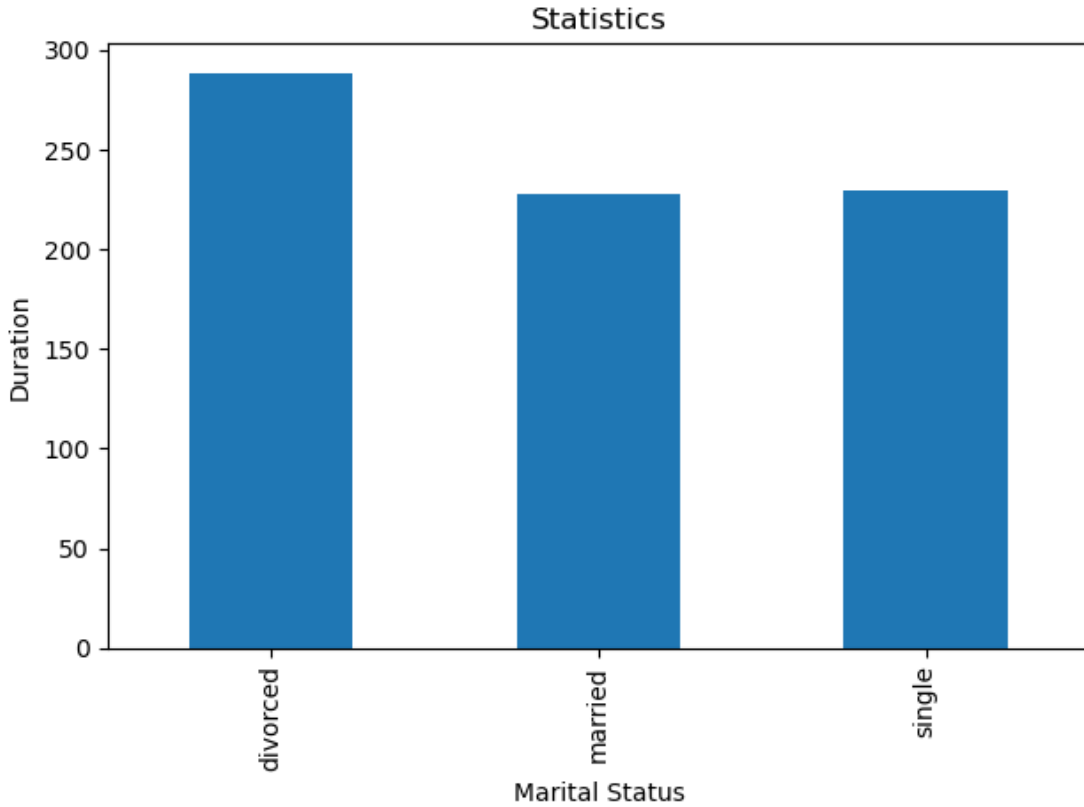


Figure 3: Bar Plot of the

### 2.3 Using Xgboost to predict campaign outcome

The beauty of this robust algorithm lies in its scalability, which drives fast learning through parallel and distributed computing and provides powerful memory use. Xgboost (Extreme Gradient Boosting) is an ensemble learning approach that provides a systematic solution for integrating the multiple learners' predictive capacity.

Xgboost manages only numeric vectors (0, 1). Therefore, it is imperative to convert categorical variables to numerical variables by using the method called one-hot encoding. One hot encoding is a process by which categorical variables transform into a type that could be supplied to ML algorithms to do better predictive work (Sundaram, 2020).

The above algorithm was use to model the prediction of the campaign. The accuracy score and testing is 0.912 and 0.850.

### **3 Conclusion**

Overall, Autorank and missingno packages made it easy to perform statistical analysis and visualize any missing data in my dataset. The outcome of the model shows a good predictive score of 0.912.



## References

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