Scenario Based Example to Identify Problem Statement 1

Problem Statement 1:

The XYZ bank facing the issues of fraudulent, before making false transaction system should prevent from the fraudulent. As AI engineer how will you solve the problem?

A) Supervised-Regression
B) Supervised -Classification
C) Unsupervised- Clustering
D) Semi-Supervised

Select the best answer and justify why you have chosen the same. In justification you can discuss the dataset, call to action etc.

A. Problem Statement – Credit Card Transaction
B. Domain Selection
    a. Dataset is in the form of an excel sheet with rows and columns and the data is represented in numbers, so choose Machine Learning
    b. Solution – Stage I – Machine Learning
C. Requirement – Credit Card Fraud Prediction
    a. Past data is labeled with input and output (fraud or not)
D. Regression or Classification
    a. The system checks whether the transaction is fraudulent or not, the data is categorical, hence it falls under classification – Stage II
E. Answer
    a. Option B – Supervised – Classification
    b. Machine Learning – Supervised - Classification

Dataset:

Input 1	Input 2	Input 3	Input 4	Output
10000	-	-	-	Fraud
-	-	-	-	Non-Fraud

Call to Action:

a. Fraud – Transaction – Stop
b. Non-Fraud – Transaction – Continue
c. Requirement solved