

## Project Design Phase-I \_ Problem - Solution Fit

**Project Title:** Smart Lender - Applicant Credibility Prediction for Loan Approval

**Team ID:** PNT2022TMID19191

Define CS, fit into CC	<b>1. CUSTOMER SEGMENT(S)</b> <span>CS</span> <ol style="list-style-type: none"><li>Officials from the banking sector who handle the loaning process for their customers.</li><li>The buyer is the person responsible for making the financial purchase decision.</li></ol>	<b>6. CUSTOMER CONSTRAINTS</b> <span>CC</span> <ol style="list-style-type: none"><li>Choices of solutions are limited by the budget, knowledge required to use the solution, database access, internet connectivity, etc</li><li>Check loan document and put them in order.</li></ol>	<b>5. AVAILABLE SOLUTIONS</b> <span>AS</span> <ol style="list-style-type: none"><li>Using past records of other people with conditions similar to the current person.</li><li>Creating an database functions that gives results based on information of a person. Pros: simple, Cons: low accuracy.</li><li>The current mechanism for evaluating the loan application is done by paperwork and also based cibil or credit score.</li></ol>	Explore AS, differentiate
Focus on J&P, tap into BE, understand RC	<b>2. JOBS-TO-BE-DONE / PROBLEM</b> <span>J&amp;P</span> <ol style="list-style-type: none"><li>Problems include whether the customer is eligible or not for availing a loan scheme from bank, increasing customer interaction, etc.</li><li>Funds issue.</li><li>Check bounce.</li><li>EMI not returned.</li><li>Credits misuseage</li></ol>	<b>9. PROBLEM ROOT CAUSE</b> <span>RC</span> <ol style="list-style-type: none"><li>Customer are required to increase their ability to recognise a person's loan eligibility in order to increase the productivity of the company and the needs of the customers.</li><li>Diminishing deposit balance.</li></ol>	<b>7. BEHAVIOUR</b> <span>BE</span> <ol style="list-style-type: none"><li>Positive approach ahead of banks.</li><li>Confusion on transactions.</li><li>Customers spend time slowly by analysing the various details of people in order to derive the result.</li></ol>	Focus on J&P, tap into BE, understand RC

### 3. TRIGGERS

TR

1. Customers are triggered to standardize their lifestyle and make their work more customer-friendly.
2. To get a personal loan is to consolidate and pay down high-interest debt at a lower rate.

### 4. EMOTIONS: BEFORE / AFTER

EM

1. Confusion state.
2. Time consuming.
3. Quick process.
4. Happy

### 10. YOUR SOLUTION

SL

1. Our solution is based on an algorithm that classifies individuals based on different characteristics (Gender, Education, Number of Dependents, Marital Status, Employment, Credit Score, Loan Amount, and others) whether they would be eligible for a loan or not.
2. Ensemble modeling is the method of running two or more associated but different models and then combining the results into a single score to improve the accuracy of predictive data and data mining applications.

### 8. CHANNELS OF BEHAVIOR

CH

#### ONLINE CHANNELS

1. Proper Document verification.
2. They also conduct various interviews with the person to see if they are who they claim to be.
3. Customer Background verification.

#### OFFLINE CHANNELS

1. Customers spend time slowly by analyzing the various details of people in order to derive the result.
2. Offline payments are made via cash, checks, bank transfer, postal orders etc..