KNN Paying the bills:

We might first want to do some preliminary research on the data to determine the correlation between all the different data. Then once we find correlated information it may be interesting to see how people’s different spending habits will affect their ability to repay their bills. Creating a KNN model of two different variables and using the correlation between them to determine where the line rests between being able to pay ones bills and not. Or just attempting to distinguish if there is a price point in entertainment or dining out that may show the client will not pay their bills. One might assume that utilities and groceries may be fairly constant, besides some potential seasonal variance. Being able to pull from the nearest neighbor would be very necessary and interesting to see the effects on ability to repay.

The goal of using KNN would be to create a decision boundary that would be able to help you identify at risk customers.