**Part 3: Applications [1 point]**

**Do your own research and describe some interesting applications of decision trees.**

Some interesting applications of decision trees are as follows:

(i) Banking sector: Based on certain factors such as income range of applicants, their presence/absence of criminal record and other such predictors, it can seen whether or not customers are eligible for a loan

Fraud detection is also an important area where decision trees can be used.

Ref: Y Sahin, [S Bulkan](https://scholar.google.com/citations?user=O48qVXwAAAAJ&hl=en&oi=sra), E Duman - Expert Systems **with**Applications, 2013 - Elsevier

(ii) Journalism: Decision trees have been known in the past to have been used for predicting voter behavior based on certain predictors.

(iii) Healthcare: **Decision** **tree** can help identify high-risk individuals so appropriate messages  
can be communicated to them.

Ref: HC Koh, G Tan - **Journal**of healthcare information management, 2011 – Citeseer

(iv) Investment and risk management portfolio: Decision trees aid in the development of optimal project decision strategies.

Ref: J Yao, A Jaafari - **Journal**of Structured Finance, 2003 - search.proquest.com