Credit Card
Fraud Detection

Brenda De Leon

Digital contactless transactions provide criminals easier opportunities for fraud.

Value of E-Commerce Losses to Online Payment Fraud Worldwide

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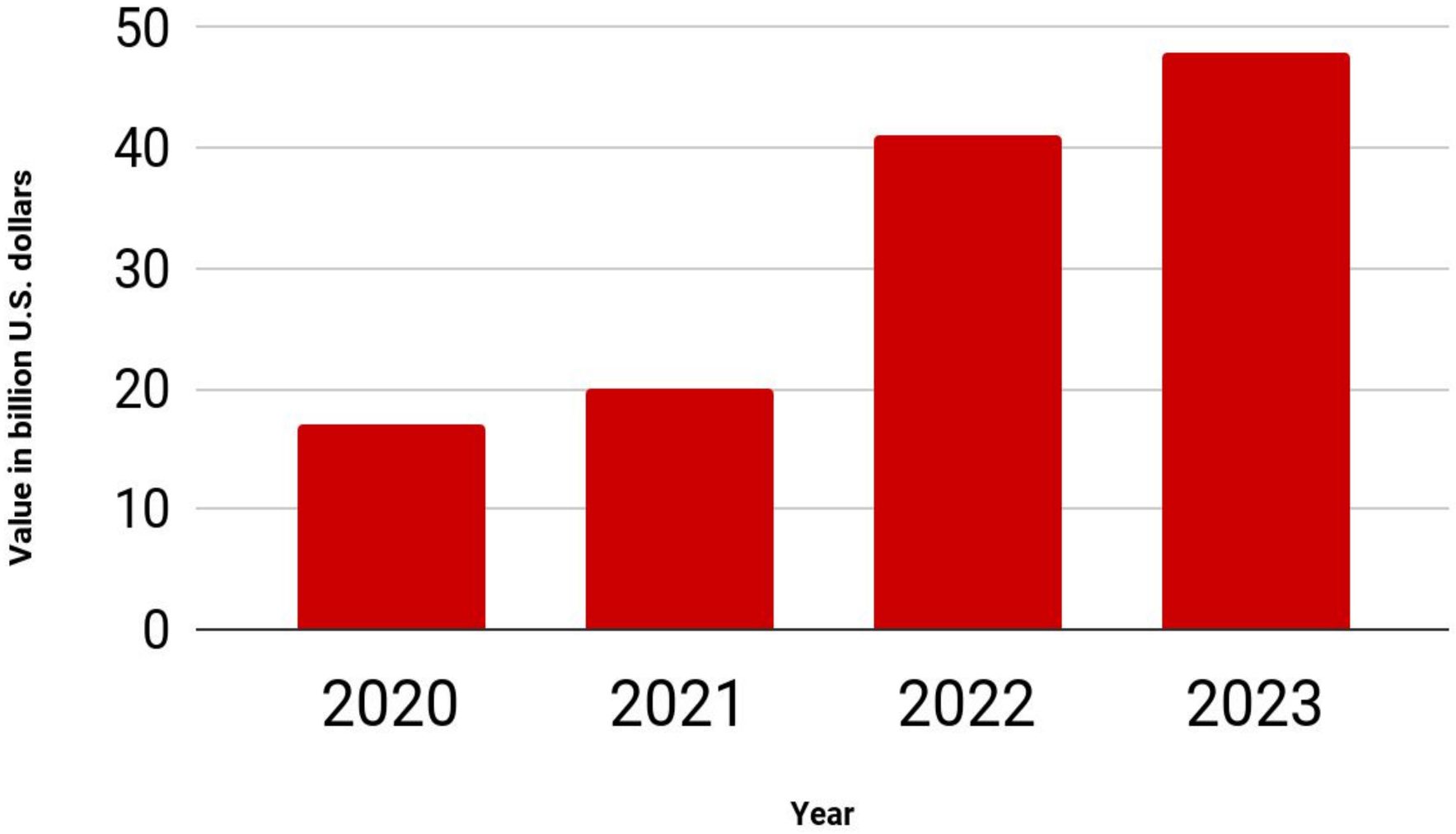
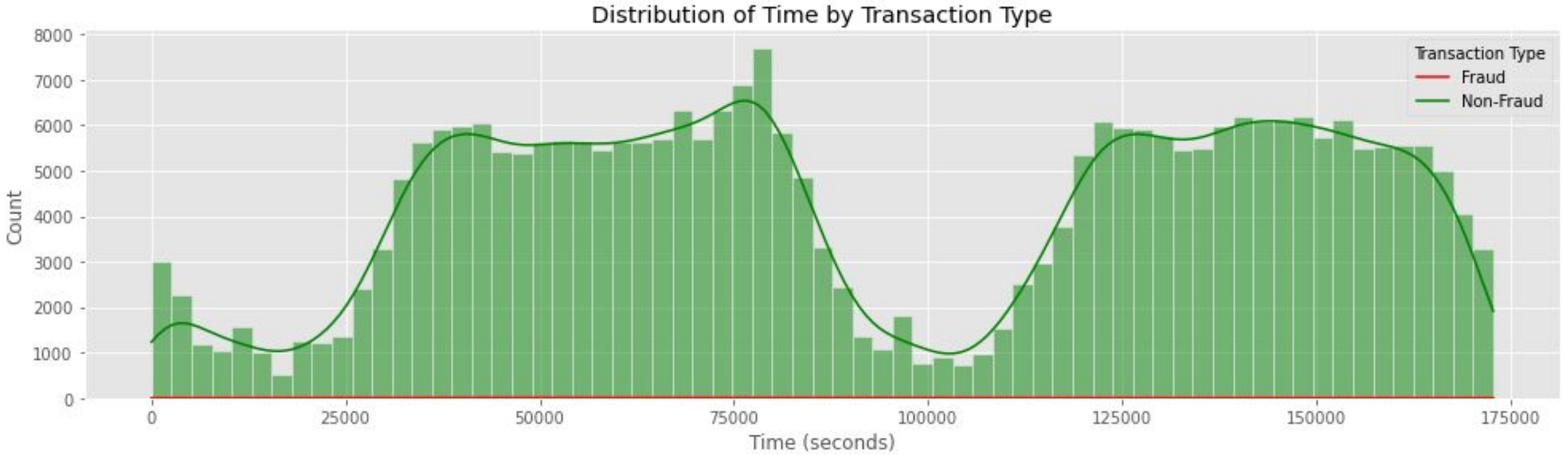


Proportion of Fraudulent Transactions:

0.0017%



99%
Accuracy

NON-FRAUD 45,053	**FLAGGED NON-FRAUD** 267
UNDETECTED FRAUD 8	FRAUD 68

NON-FRAUD 4,266	**FLAGGED NON-FRAUD** 41,054
UNDETECTED FRAUD 1	FRAUD 75

Additional Benefits:

- **Protection from Legal Implications**
- **Building Trust**

Additional Benefits:

- **Value of Quick Fraud Detection**
- **Competitive Advantage**

Future Work:

Features

Take a closer look at the features that showed possible multicollinearity. Use feature importance to improve our model, removing those features with lower scores.

Data

More data could significantly improve our prediction ability.

Cost-Sensitive Learning

Use example dependent cost sensitive learning to weigh the cost of misclassification based on the transaction amount.

Thank You

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