

Project on Banking

Business Problem:

A group of customers were given an offer in person that they can get a loan at discounted rate and processing fee will be waived off. A pilot campaign was conducted to get response from customers whether they are interested in taking out a loan or not. Response was recorded and data was collected. Based on data given we need to:

- 1) Build a model to predict whether customers will be interested in taking out a loan or not.
- 2) Identifying features which are most important**
- 3) In case of black box models e.g. Random forest use SHAP, LIME to figure out features affecting the target variable
- 4) Approaching a customer has costs involved with it, hence find the profitable segments so that more customized marketing can be done.
- 5) Model will be needed on a monthly basis as this data gets updated each month.

Variables involved

- Customer_id
- Age
- Gender
- Balance
- Occupation
- No of Credit transaction
- SCR
- Holding period