

# Consumer Financial Complaints Report

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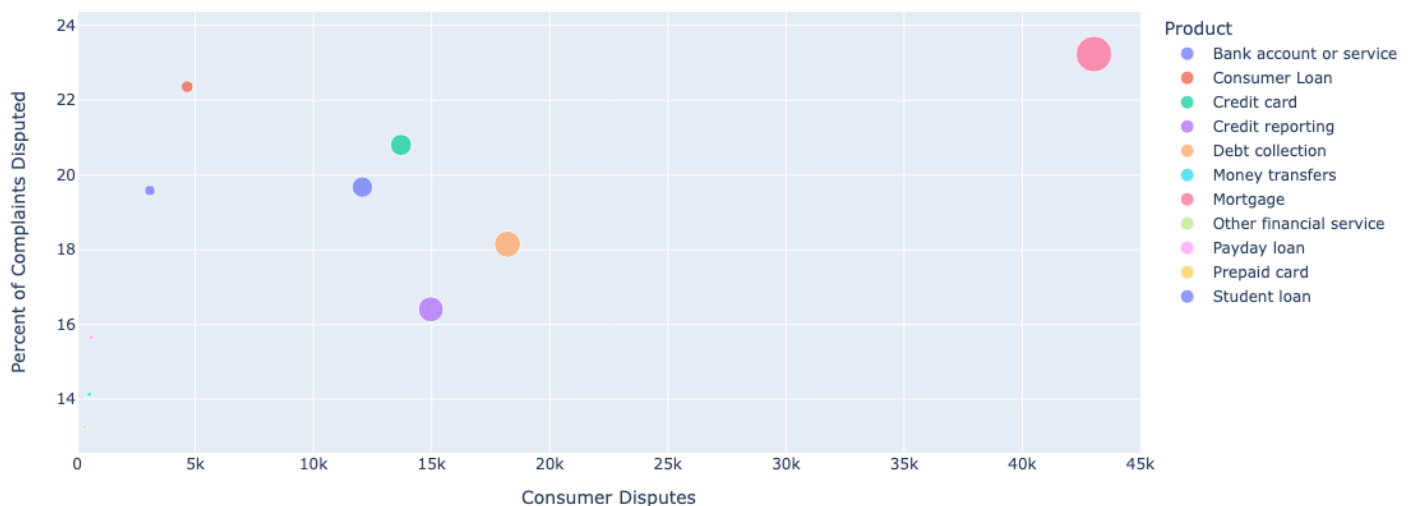
## Introduction

As a new financial institution entering alpha, our mission is to optimize the efficiency of every facet of our operations. Consumer complaints are inevitable, but handling disputed resolutions can often become a costly and time-consuming process. It is in our best interest to examine our clients' backgrounds and prevent them from disputing claims by offering them sufficient initial resolutions.

## Data

### 1) How does product affect dispute rate?

Product vs Consumer Disputes

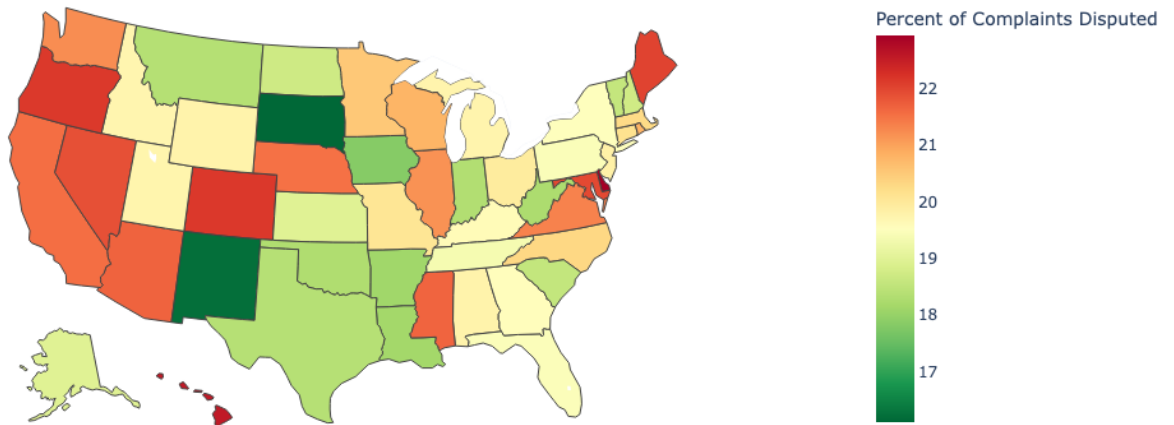


Mortgages are the most frequent complaint product and have the highest rate of disputes. On the other hand, although credit reporting has a fairly large amount of complaints (~15,000), it has a lower rate of disputes compared to the rest of the products.

- Why are mortgages disputed so frequently?
- Why is credit reporting disputed so rarely?
- Why do mortgages have over twice the amount of complaints as any other product?

## 2) How does location affect dispute rate?

State vs Percentage of Consumer Disputes

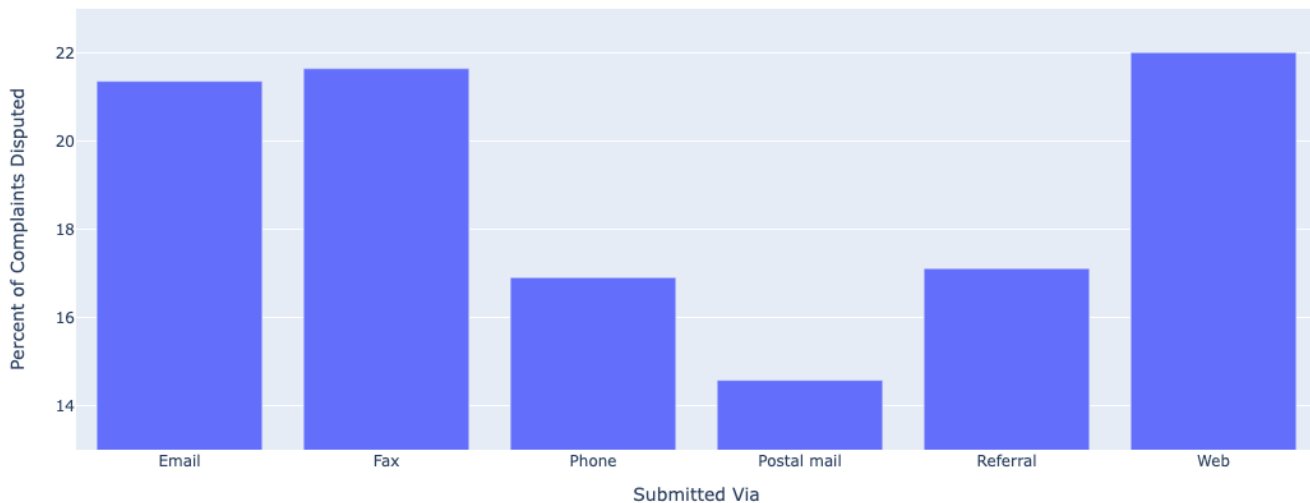


Consumers in the west coast seem to be more likely to dispute their complaint resolutions compared to the rest of the country, followed by the east coast. The middle region of the country, highlighted by New Mexico and South Dakota, have much lower dispute rates.

- Why does the west coast dispute their complaints so frequently?
- Why does the plains region generally have such low dispute rates?

## 3) How does complaint submission method affect dispute rate?

Submission Method vs Percentage of Consumer Disputes



Web submissions, which also happen to be the most common form of complaint submission, have the highest dispute rate. On the other hand, postal mail submissions, which are one of the least common methods for complaint submissions, have the lowest dispute rates. Most notably, instant and non-verbal forms of communication (web, fax, email) have higher dispute rates than slower, non-anonymous methods of submission (referral, phone, postal mail).

- Do time-consuming submission methods create a barrier for consumers to dispute?

#### 4) Sentiment analysis on the most common issues



WordCloud of All Issues



*WordCloud of Disputed Issues Only*

A form of modification (loan, collection) is the most common issue found in sentiment analysis. Credit reports seem to be less common among disputes than all issues. However, servicing payments seems to be an issue that leads to greater disputes.

- *Why is servicing payments more common among disputed issues?*
- *Why are credit reports less common among disputed issues?*
- *What makes loan and collection modification such common issues?*

## Conclusion

Further research and exploration is required to make any concrete conclusions. However, these current data insights can orient us in the right direction. We must gather more data to answer the questions generated from such visualizations, and in doing so, generate quality financial complaint resolutions for our consumers.

*Note: Future hypotheses are located in the GitHub LaTeX file.*