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**Data Science Intern at Data Glacier**

**Project:** Data Science: Bank Marketing (Campaign)

**Week 7:** Deliverables

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**Batch Code:** LISUM12

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1. **Problem Description**

The **ABC Bank** wants to sell its term deposit product to customers. Term deposits provide several advantages for banks, including:

* **Stable Source of Funding:** Banks use the funds to invest in other financial instruments and lend this money to other customers. These provide a stable and reliable source of funding for banking operations. They have a fixed term, allowing banks to plan lending and investment activities.
* **Interest Income:** Banks earn interest income on funds deposited as term deposits. The term deposits tend to have a lower rate of interest compared to which banks lend deposited funds (etc. Mortgages, Personal Loans, Construction Loans).
* **Liquidity Management:** While term deposits have a fixed term, banks manage their liquidity to ensure the have access to fund where needed. This is done by staggering the maturity dates of term deposits, so the portion of term deposits becomes available while the rest continue to earn interest from the bank.
* **Customer Relationships:** Offering term deposits can help banks build and strengthen customer relationships. These customers which hold term deposits are likely to have a longer-term association with the bank.
* **Customer Retention:** Competitive Interest rates can help banks retain existing customers and attract new ones. Customers may choose to deposit to earn higher interest rates, leading to customer loyalty.
* **Risk Management:** Term deposits can add aid in managing interest rate risk, banks offer fixed interest rates on term deposits and can predict their future interest expenses helping in planning and risk management.

Overall, these term deposits play a vital role in the financial operations of banks, providing stability, funding, and income.

Our aim is to design an ML model to shortlist customers who have higher chances of buying products which is more, so there marketing channel can only focus on the customers whose chance of buying the product is higher. The aim of this is to save resources and time for the company so they can target marketing campaigns to the right customers.

We will work on developing two models, one with the **duration** feature and one without the duration feature. **Duration** Features allow for predictive and time-series analytics which can be used to forecast customer behaviour.

1. **Business Understanding**

Using the historical Bank Data, applying machine learning techniques to build a predictive model that can forecast whether a customer is likely to buy the term deposit product. Predicting this **customer behaviour** can help the bank focus their marketing efforts on customers who are likely to buy the term deposit, saving time, resources and increasing the efficiency of marketing campaigns. **Personalisation** by analysing customer data can offer personalised product recommendations tailoring communication to individual customer preferences. **Risk Management** can be used to understand customer behaviour helping the bank assess risks associated with term deposits. Improvements on decision making can be made, with data-driven insights allowing for informed decisions on product development, pricing and customer engagement strategies.

1. **Project Lifecycle with deadlines**

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| **Weeks** | **Date** | **Plan** |
| Weeks 07 | 19/09/2022 | Problem Statement, Data Collection, Data Understanding, Business Understanding, |
| Weeks 08 | 26/09/2022 | Data Preprocessing, Data Cleaning |
| Weeks 09 | 02/10/2022 | Feature Extraction |
| Weeks 10 | 09/10/2022 | Building the models – Model Comparison + Hyper-parameter Tuning |
| Weeks 11 | 16/10/2022 | Data Extraction |
| Weeks 12 | 23/10/2022 | Flask Development, Heroku Creation + Deployment |
| Weeks 13 | 30/10/2022 | Final Submissions (Report, Code, Presentation) |