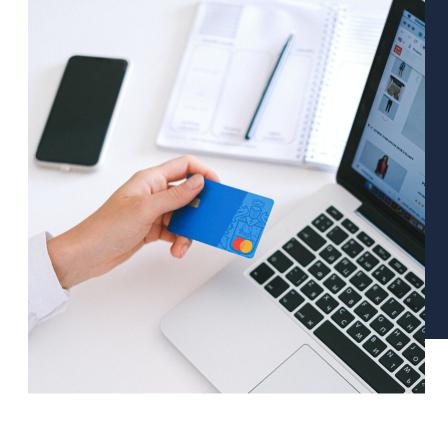
CREDIT CARD DEFAULT

SOTA Ensemble Approach to Default Prediction



Background

A global credit card issuer wanted to predict future credit card default based on customer and statement data

Why Choose Cloudcraftz?

- EXPERIENCED PROFESSIONALS WITH MULTI-DECADE BUSINESS EXPERIENCE
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- HANDS-ON PROJECT INVOLVEMENT BY PARTNERS
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- PROVEN FAST PROTOTYPING-SOLUTIONING APPROACH
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- RELENTLESS FOCUS ON INNOVATION AND TECHNOLOGY MANAGEMENT
- •
- SUCCESS-BASED ENGAGEMENT MODELS TAILORED TO CLIENTS' NEEDS.

Outcome

Default prediction accuracy of **80%** was achieved.

Requirement

•Adaptive/learning model to predict card default with higher accuracy than traditional models.

•450,000 customers across 188 variables over 13 months of statements per customer.

Solution

- •Feature engineering to transform and distill the data
- •Trained ensemble-based machine learning models.
- •Default prediction accuracy of 80%.

Benefits

•The issuer is able to better manage the risk in credit card portfolios

•The model has been constantly learning and reinforcing itself leading to higher accuracy over time.

