CREDIT SCORE ANALYSIS SYSTEM USING FUZZY LOGIC

[1]Syarifah Nur Liana Binti Syed Hamzah , [2]NoorFaizalFarid Bin Mohd Noor

[1]synrliana@gmail.com
[2]nfaizalf@uitm.edu.my

ABSTRACT

Credit scoring analysis is used by creditors to evaluate potential risk poses by lending money to customer and avoid risky customer to the institution. It determines the level of creditworthiness of the potential customer for a loan such as personal loan. Credit score is directed either on statistical method or soft computing method. Currently, fuzzy logic becoming increasingly preferred due to its proficient and precise nature. Using fuzzy logic, characteristics (known as 'C') of borrower can be gauge instantly based on set of input data set. In this research, it aims to study and use fuzzy logic algorithm to analyze personal credit worthiness based on identified 'C'. The result from the literature review is portrayed in a prototype. The CSAS is a self-service credit scoring analysis that can assist potential customers to evaluate their creditworthiness. To evaluate perceive of usefulness and perceive ease of use on CSAS, a testing has been conducted on thirty respondents from the public workers. The result shows that most of them agreed to use CSAS for their credit scoring analysis to check the credit worthiness of the applicant. In conclusion, creditworthiness of potential borrower can be evaluated based on 'C' using fuzzy logic algorithm.

Keywords: credit score, fuzzy logic, personal loan