```
In [1]: import pandas as pd
          import matplotlib.pyplot as plt
          import seaborn as sns
          import numpy as np
          sns.set_theme(color_codes=True)
In [2]: | df = pd.read_csv('train_BRCpofr.csv')
          df.head()
Out[2]:
             id
                gender
                               qualification income marital_status vintage claim_amount num_policies policy type_of_policy
          0
             1
                        Urban
                                   Bachelor
                                            5L-10L
                                                                       5
                                                                                  5790
                                                                                          More than 1
                                                                                                         Α
                                                                                                                  Platinum
                   Male
                                                               0
          1
              2
                                                                       8
                                                                                  5080
                   Male
                         Rural
                                High School
                                            5L-10L
                                                                                          More than 1
                                                                                                         Α
                                                                                                                  Platinum
          2
              3
                   Male
                        Urban
                                   Bachelor
                                            5L-10L
                                                               1
                                                                       8
                                                                                  2599
                                                                                          More than 1
                                                                                                         Α
                                                                                                                  Platinum
              4
                Female
                         Rural
                                High School
                                            5L-10L
                                                               0
                                                                                     0
                                                                                          More than 1
                                                                                                         Α
                                                                                                                  Platinum
                                              More
             5
                   Male Urban
                                High School
                                                                       6
                                                                                  3508
                                                                                          More than 1
                                                                                                         Α
                                                                                                                     Gold
                                              than
                                               101
         Data Preprocessing Part 1
In [3]: #Check the number of unique value from all of the object datatype
          df.select_dtypes(include='object').nunique()
Out[3]: gender
                              2
                              2
          area
                              3
          qualification
          income
                              4
          num_policies
                              2
          policy
                              3
                              3
          type_of_policy
          dtype: int64
In [4]: # Remove identifier columns
          df.drop(columns = 'id', inplace=True)
         df.head()
Out[4]:
                      area qualification income marital_status
                                                              vintage claim_amount num_policies policy type_of_policy
             gender
                                                                    5
          0
               Male
                     Urban
                               Bachelor
                                         5L-10L
                                                            1
                                                                               5790
                                                                                      More than 1
                                                                                                      Α
                                                                                                              Platinum
                                                                                                                        64
          1
               Male
                      Rural
                            High School
                                         5L-10L
                                                            0
                                                                    8
                                                                               5080
                                                                                      More than 1
                                                                                                      Α
                                                                                                              Platinum
                                                                                                                       515
          2
                                                                    8
                                                                               2599
               Male
                     Urban
                               Bachelor
                                         5L-10L
                                                            1
                                                                                      More than 1
                                                                                                      Α
                                                                                                              Platinum
                                                                                                                        64
                                                                    7
          3
             Female
                      Rural
                            High School
                                         5L-10L
                                                            0
                                                                                 0
                                                                                      More than 1
                                                                                                              Platinum
                                                                                                                        97
```

1

6

3508

More than 1

### **Exploratory Data Analysis**

High School

More

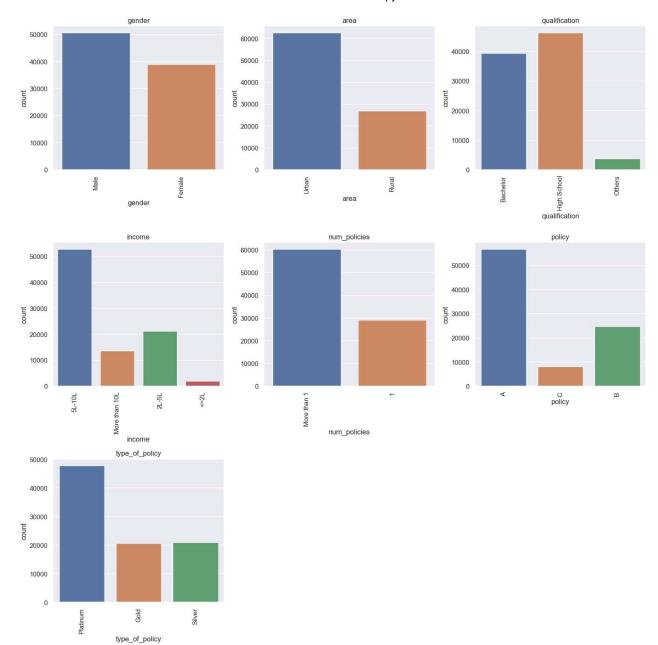
than 10L

Male Urban

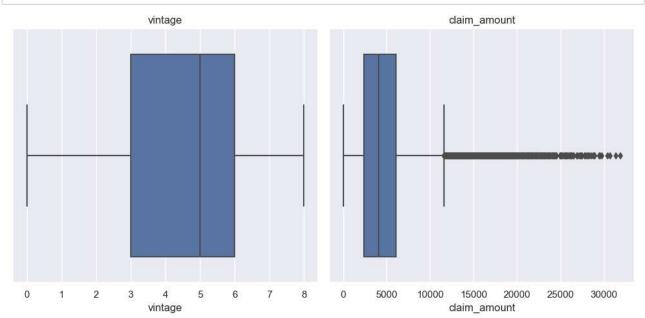
59

Gold

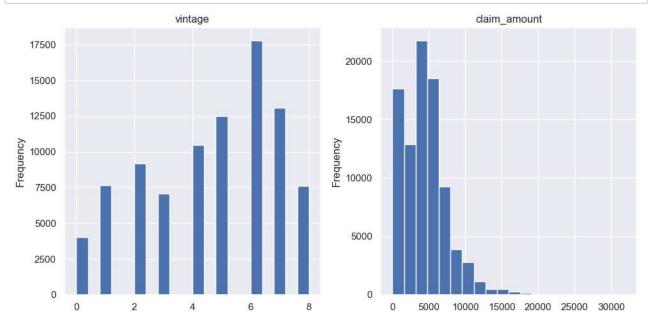
```
In [5]: # Get the names of all columns with data type 'object' (categorical columns)
        cat_vars = df.select_dtypes(include='object').columns.tolist()
        # Create a figure with subplots
        num_cols = len(cat_vars)
        num rows = (num cols + 2) // 3
        fig, axs = plt.subplots(nrows=num_rows, ncols=3, figsize=(15, 5*num_rows))
        axs = axs.flatten()
        # Create a countplot for the top 6 values of each categorical variable using Seaborn
        for i, var in enumerate(cat_vars):
            top values = df[var].value counts().nlargest(6).index
            filtered_df = df[df[var].isin(top_values)]
            sns.countplot(x=var, data=filtered df, ax=axs[i])
            axs[i].set title(var)
            axs[i].tick params(axis='x', rotation=90)
        # Remove any extra empty subplots if needed
        if num_cols < len(axs):</pre>
            for i in range(num_cols, len(axs)):
                fig.delaxes(axs[i])
        # Adjust spacing between subplots
        fig.tight_layout()
        # Show plot
        plt.show()
```



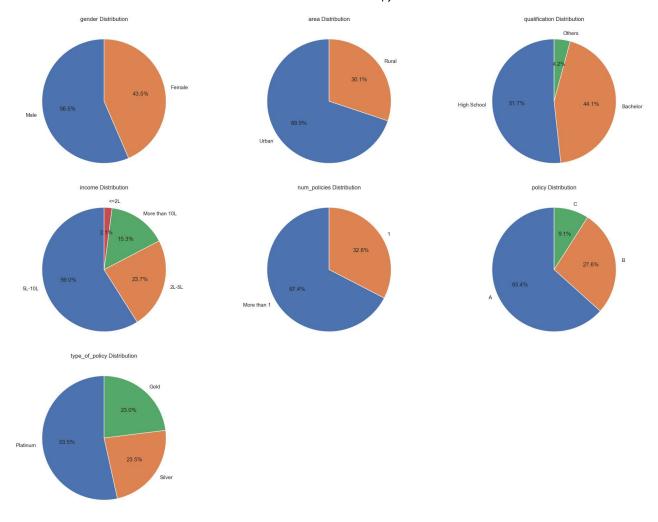
```
In [7]: | # Get the names of all columns with data type 'int' or 'float' except 'cltv' and 'marital_status'
        num_vars = df.select_dtypes(include=['int', 'float']).columns.tolist()
        exclude_vars = ['cltv', 'marital_status']
        num_vars = [var for var in num_vars if var not in exclude_vars]
        # Create a figure with subplots
        num cols = len(num vars)
        num rows = (num cols + 2) // 3
        fig, axs = plt.subplots(nrows=num_rows, ncols=3, figsize=(15, 5*num_rows))
        axs = axs.flatten()
        # Create a box plot for each numerical variable using Seaborn
        for i, var in enumerate(num_vars):
            sns.boxplot(x=df[var], ax=axs[i])
            axs[i].set_title(var)
        # Remove any extra empty subplots if needed
        if num_cols < len(axs):</pre>
            for i in range(num_cols, len(axs)):
                fig.delaxes(axs[i])
        # Adjust spacing between subplots
        fig.tight layout()
        # Show plot
        plt.show()
```



```
In [8]: | # Get the names of all columns with data type 'int' or 'float' except 'marital_status' and 'cltv'
        int_vars = df.select_dtypes(include=['int', 'float']).columns.tolist()
        exclude_vars = ['marital_status', 'cltv']
        int_vars = [var for var in int_vars if var not in exclude_vars]
        # Create a figure with subplots
        num cols = len(int vars)
        num rows = (num cols + 2) // 3 # To make sure there are enough rows for the subplots
        fig, axs = plt.subplots(nrows=num_rows, ncols=3, figsize=(15, 5*num_rows))
        axs = axs.flatten()
        # Create a histogram for each integer variable
        for i, var in enumerate(int_vars):
            df[var].plot.hist(ax=axs[i], bins=20) # You can adjust the number of bins as needed
            axs[i].set_title(var)
        # Remove any extra empty subplots if needed
        if num_cols < len(axs):</pre>
            for i in range(num_cols, len(axs)):
                fig.delaxes(axs[i])
        # Adjust spacing between subplots
        fig.tight layout()
        # Show plot
        plt.show()
```



```
In [9]: |# Specify the maximum number of categories to show individually
        max categories = 5
        # Filter categorical columns with 'object' data type
        cat_cols = [col for col in df.columns if col != 'y' and df[col].dtype == 'object']
        # Create a figure with subplots
        num cols = len(cat cols)
        num rows = (num cols + 2) // 3
        fig, axs = plt.subplots(nrows=num rows, ncols=3, figsize=(20, 5*num rows))
        # Flatten the axs array for easier indexing
        axs = axs.flatten()
        # Create a pie chart for each categorical column
        for i, col in enumerate(cat cols):
            if i < len(axs): # Ensure we don't exceed the number of subplots</pre>
                # Count the number of occurrences for each category
                cat counts = df[col].value counts()
                # Group categories beyond the top max categories as 'Other'
                if len(cat_counts) > max_categories:
                     cat counts top = cat counts[:max categories]
                     cat_counts_other = pd.Series(cat_counts[max_categories:].sum(), index=['Other'])
                     cat counts = cat counts top.append(cat counts other)
                # Create a pie chart
                axs[i].pie(cat_counts, labels=cat_counts.index, autopct='%1.1f%%', startangle=90)
                axs[i].set_title(f'{col} Distribution')
        # Remove any extra empty subplots if needed
        if num_cols < len(axs):</pre>
            for i in range(num_cols, len(axs)):
                fig.delaxes(axs[i])
        # Adjust spacing between subplots
        fig.tight_layout()
        # Show plot
        plt.show()
```



# **Data Preprocessing Part 2**

# **Label Encoding for Object Datatypes**

```
In [11]: # Loop over each column in the DataFrame where dtype is 'object'
for col in df.select_dtypes(include=['object']).columns:

    # Print the column name and the unique values
    print(f"{col}: {df[col].unique()}")

gender: ['Male' 'Female']
    area: ['Urban' 'Rural']
    qualification: ['Bachelor' 'High School' 'Others']
    income: ['5L-10L' 'More than 10L' '2L-5L' '<=2L']
    num_policies: ['More than 1' '1']
    policy: ['A' 'C' 'B']
    type_of_policy: ['Platinum' 'Gold' 'Silver']</pre>
```

```
In [12]: from sklearn import preprocessing

# Loop over each column in the DataFrame where dtype is 'object'
for col in df.select_dtypes(include=['object']).columns:

# Initialize a LabelEncoder object
label_encoder = preprocessing.LabelEncoder()

# Fit the encoder to the unique values in the column
label_encoder.fit(df[col].unique())

# Transform the column using the encoder
df[col] = label_encoder.transform(df[col])

# Print the column name and the unique encoded values
print(f"{col}: {df[col].unique()}")
```

gender: [1 0]
area: [1 0]
qualification: [0 1 2]
income: [1 3 0 2]
num\_policies: [1 0]
policy: [0 2 1]
type\_of\_policy: [1 0 2]

```
In [14]: # Correlation Heatmap
plt.figure(figsize=(20, 16))
sns.heatmap(df.corr(), fmt='.2g', annot=True)
```

#### Out[14]: <AxesSubplot:>



# **Train Test Split**

```
In [15]: X = df.drop('cltv', axis=1)
y = df['cltv']
from sklearn.model_selection import train_test_split
from sklearn.metrics import accuracy_score
X_train, X_test, y_train, y_test = train_test_split(X,y, test_size=0.2,random_state=0)
```

# Remove Outlier from Train Data using Z-Score

```
In [16]: from scipy import stats
         # Define the columns for which you want to remove outliers
         selected columns = ['claim amount']
         # Calculate the Z-scores for the selected columns in the training data
         z scores = np.abs(stats.zscore(X train[selected columns]))
         # Set a threshold value for outlier detection (e.g., 3)
         threshold = 3
         # Find the indices of outliers based on the threshold
         outlier_indices = np.where(z_scores > threshold)[0]
         # Remove the outliers from the training data
         X train = X train.drop(X train.index[outlier indices])
         y train = y train.drop(y train.index[outlier indices])
```

#### **Decision Tree Regressor**

```
In [17]: | from sklearn.tree import DecisionTreeRegressor
         from sklearn.model selection import GridSearchCV
         from sklearn.datasets import load_boston
         # Create a DecisionTreeRegressor object
         dtree = DecisionTreeRegressor()
         # Define the hyperparameters to tune and their values
         param grid = {
             'max_depth': [2, 4, 6, 8],
             'min_samples_split': [2, 4, 6, 8],
             'min_samples_leaf': [1, 2, 3, 4],
             'max_features': ['auto', 'sqrt', 'log2'],
             'random state': [0, 42]
         # Create a GridSearchCV object
         grid_search = GridSearchCV(dtree, param_grid, cv=5, scoring='neg_mean_squared_error')
         # Fit the GridSearchCV object to the data
         grid_search.fit(X_train, y_train)
         # Print the best hyperparameters
         print(grid search.best params )
         {'max_depth': 4, 'max_features': 'auto', 'min_samples_leaf': 1, 'min_samples_split': 2, 'random_
         state': 0}
In [18]: from sklearn.tree import DecisionTreeRegressor
         dtree = DecisionTreeRegressor(random_state=0, max_depth=4, max_features='auto', min_samples_leaf=
         dtree.fit(X train, y train)
```

Out[18]: DecisionTreeRegressor(max\_depth=4, max\_features='auto', random\_state=0)

```
In [19]: from sklearn import metrics
    from sklearn.metrics import mean_absolute_percentage_error
    import math
    y_pred = dtree.predict(X_test)
    mae = metrics.mean_absolute_error(y_test, y_pred)
    mape = mean_absolute_percentage_error(y_test, y_pred)
    mse = metrics.mean_squared_error(y_test, y_pred)
    r2 = metrics.r2_score(y_test, y_pred)
    rmse = math.sqrt(mse)

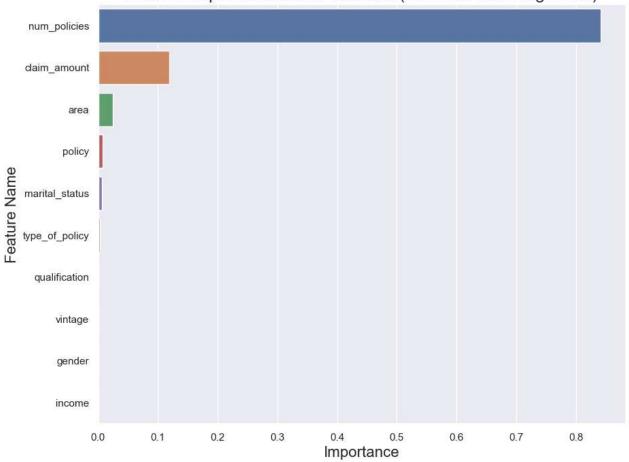
print('MAE is {}'.format(mae))
    print('MAPE is {}'.format(mape))
    print('MSE is {}'.format(mse))
    print('R2 score is {}'.format(r2))
    print('RMSE score is {}'.format(rmse))
```

MAE is 50628.65370829872 MAPE is 0.5470793080704087 MSE is 6871635638.508964 R2 score is 0.15912384513589772 RMSE score is 82895.32941311569

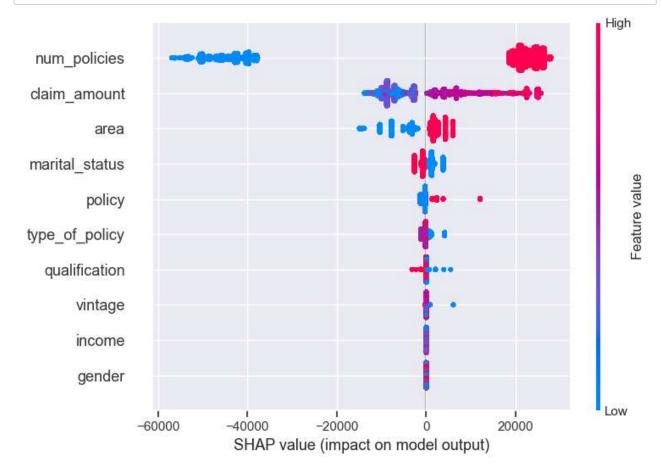
```
In [20]: imp_df = pd.DataFrame({
    "Feature Name": X_train.columns,
    "Importance": dtree.feature_importances_
})
fi = imp_df.sort_values(by="Importance", ascending=False)

fi2 = fi.head(10)
plt.figure(figsize=(10,8))
sns.barplot(data=fi2, x='Importance', y='Feature Name')
plt.title('Feature Importance Each Attributes (Decision Tree Regressor)', fontsize=18)
plt.xlabel ('Importance', fontsize=16)
plt.ylabel ('Feature Name', fontsize=16)
plt.show()
```

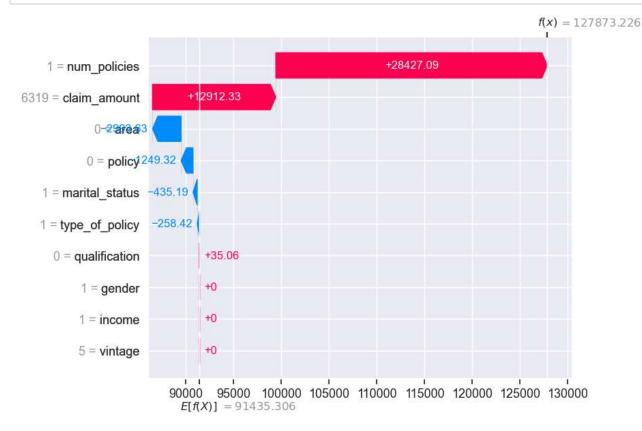
#### Feature Importance Each Attributes (Decision Tree Regressor)



```
In [21]: import shap
    explainer = shap.TreeExplainer(dtree)
    shap_values = explainer.shap_values(X_test)
    shap.summary_plot(shap_values, X_test)
```



```
In [22]: explainer = shap.Explainer(dtree, X_test)
    shap_values = explainer(X_test)
    shap.plots.waterfall(shap_values[0])
```



### **Random Forest Regressor**

```
In [23]: from sklearn.ensemble import RandomForestRegressor
         from sklearn.model_selection import GridSearchCV
         # Create a Random Forest Regressor object
         rf = RandomForestRegressor()
         # Define the hyperparameter grid
         param_grid = {
              'max_depth': [3, 5, 7, 9],
             'min_samples_split': [2, 5, 10],
             'min_samples_leaf': [1, 2, 4],
             'max_features': ['auto', 'sqrt'],
             'random_state': [0, 42]
         }
         # Create a GridSearchCV object
         grid_search = GridSearchCV(rf, param_grid, cv=5, scoring='r2')
         # Fit the GridSearchCV object to the training data
         grid_search.fit(X_train, y_train)
         # Print the best hyperparameters
         print("Best hyperparameters: ", grid_search.best_params_)
         Best hyperparameters: {'max_depth': 9, 'max_features': 'sqrt', 'min_samples_leaf': 1, 'min_samp
```

les\_split': 10, 'random\_state': 0}

Out[24]: RandomForestRegressor(max\_depth=9, max\_features='sqrt', min\_samples\_split=10, random state=0)

```
In [25]: from sklearn import metrics
from sklearn.metrics import mean_absolute_percentage_error
import math
y_pred = rf.predict(X_test)
mae = metrics.mean_absolute_error(y_test, y_pred)
mape = mean_absolute_percentage_error(y_test, y_pred)
mse = metrics.mean_squared_error(y_test, y_pred)
r2 = metrics.r2_score(y_test, y_pred)
rmse = math.sqrt(mse)

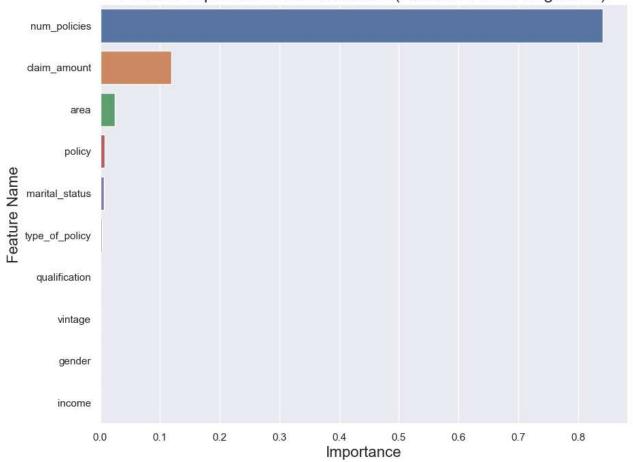
print('MAE is {}'.format(mae))
print('MAPE is {}'.format(mape))
print('MSE is {}'.format(mse))
print('R2 score is {}'.format(r2))
print('RMSE score is {}'.format(rmse))
```

MAE is 50384.94184188802 MAPE is 0.5481493137596379 MSE is 6833618298.871373 R2 score is 0.163775994355433 RMSE score is 82665.70207087927

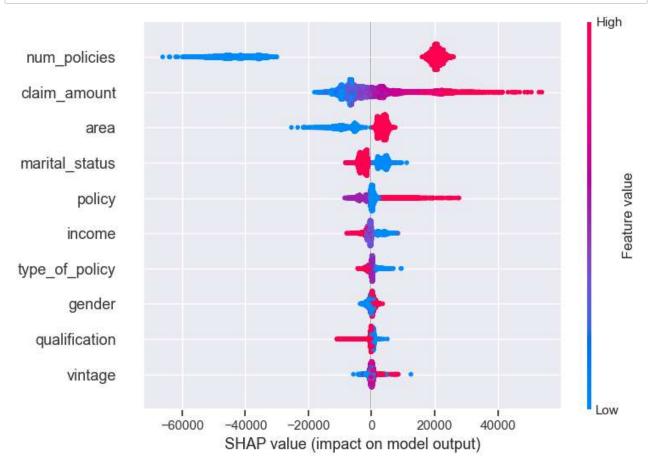
```
In [26]: imp_df = pd.DataFrame({
        "Feature Name": X_train.columns,
        "Importance": dtree.feature_importances_
})
fi = imp_df.sort_values(by="Importance", ascending=False)

fi2 = fi.head(10)
plt.figure(figsize=(10,8))
sns.barplot(data=fi2, x='Importance', y='Feature Name')
plt.title('Feature Importance Each Attributes (Random Forest Regressor)', fontsize=18)
plt.xlabel ('Importance', fontsize=16)
plt.ylabel ('Feature Name', fontsize=16)
plt.show()
```

#### Feature Importance Each Attributes (Random Forest Regressor)



```
In [27]: import shap
    explainer = shap.TreeExplainer(rf)
    shap_values = explainer.shap_values(X_test)
    shap.summary_plot(shap_values, X_test)
```



```
In [28]: explainer = shap.Explainer(rf, X_test, check_additivity=False)
    shap_values = explainer(X_test, check_additivity=False)
    shap.plots.waterfall(shap_values[0])
```

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