**Business Objective :** To identify customer segments to cater them with best services to maximize the business.

**Business Constraints:** Inappropriate segmentation of the customers, unavailability of competitive insurance policies/products and offers as compared to the competitors and market, inefficient employees.

**Data Dictionary**

|  |  |  |  |
| --- | --- | --- | --- |
| **Name of the feature** | **Description** | **Type** | **Relevance** |
| Premiums Paid | Premiums paid by the customer | Numeric | Relevant,  useful for analysis |
| Age | Age of the customer | Numeric | Relevant,  useful for analysis |
| Days to Renew | No. of days remaining to renew the insurance policy | Numeric | Relevant,  useful for analysis |
| Claims made | Claims made by the customers | Numeric | Relevant,  useful for analysis |
| Income | Income of the customer | Numeric | Relevant,  useful for analysis |

We can make 4 clusters of this dataset.

**Inferences** :

* Cluster 0 belongs to the customers with highest Income and highest claim made. These customers are most aged customers. Company should make sure to cater them with best assistance and services as they might be mainly most tenured cluster of customers.
* Cluster 2 consists of the customers with 2nd highest income. Numbers indicate overall balanced customers in this group.
* Cluster 1 customers stand at last position in income and have made least claim. Company can offer them long term policies as they are youngest customers’ cluster. Their policies are expiring within 2months period, company should start targeting them with appropriate sales and marketing plans immediately.
* Cluster 3 customers are the ones who have made 2nd highest claims and have most days to renew their policy. Company can utilize this time to workout on the best suited plans/offers for such customers.