Binary Classification of Insurance Cross Selling

⊕We're studying to predict which customers respond positively to an automobile insurance offer.

Gender: Categorical variable indicating the gender of the customer.

Age: Numeric variable indicating the age of the customer.

Driving_License: Binary variable indicating if the customer has a driving license (1 if yes, 0 if no).

[Region_Code: Numeric variable indicating the region code of the customer.

[Previously_Insured: Binary variable indicating if the customer was previously insured (1 if yes, 0 if no).

Vehicle_Age: Categorical variable indicating the age of the vehicle.

Vehicle_Damage: Categorical variable indicating if the vehicle was damaged in the past.

Annual_Premium: Numeric variable indicating the annual premium amount.

[Policy_Sales_Channel: Numeric variable indicating the sales channel of the policy.

[Vintage: Numeric variable indicating the number of days the customer has been associated with the company.

[Response: Binary target variable indicating if the customer responded positively to the automobile insurance offer (1 if yes, 0 if no).

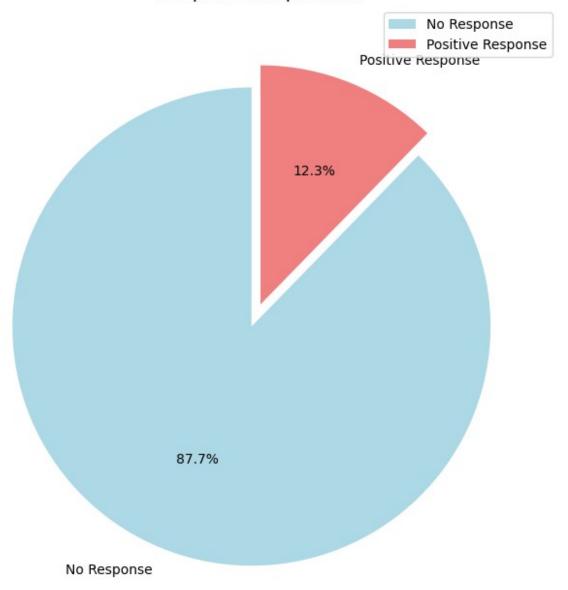
```
import numpy as np
import pandas as pd
import matplotlib.pyplot as plt
import seaborn as sns
from sklearn.model selection import train test split
from sklearn.linear model import LogisticRegression
from sklearn.preprocessing import StandardScaler, LabelEncoder,
OneHotEncoder
from sklearn.metrics import roc curve, roc auc score
from lightgbm import LGBMRegressor
from xgboost import XGBRegressor
import warnings
warnings.filterwarnings("ignore")
pd.set option('display.max columns', None)
df train=pd.read csv("/kaggle/input/despacitoinsur/trainreduced.csv")
df test=pd.read csv("/kaggle/input/despacitoinsur/testreduced.csv")
sample submission = pd.read csv('/kaggle/input//playground-series-
s4e7/sample submission.csv')
```

df _.	_train.l	head()					
Ve	Gender		Driving	_License R	egion_Code	Previously	_Insured
0 1	_1	21		1	35		0
1	1	43		1	28		0
2	0	25		1	14		1
0							
3	0	35		1	1		0
4 1	0	36		1	15		1
_		_					
Re	Vehicle sponse	e_Dama	ge Annu	al_Premium	Policy_Sal	es_Channel	Vintage
0	- p		1	65101.0		124	187
0 1			1	58911.0		26	288
1 2			0	38043.0		152	254
0							
3			1	2630.0		156	76
4			0	31951.0		152	294
0							
d†	_test.h						
۷e	Gender hicle_A	Age ne \	Driving	_License R	egion_Code	Previously	_Insured
0	0	20		1	47		0
0 1	1	47		1	28		0
1	1	47		1	43		0
2							
3 0	0	22		1	47		1
4	1	51		1	19		0
1							
0 1 2 3 4	Vehicle	e_Dama	ge Annu 0 1 1	al_Premium 2630.0 37483.0 2630.0	Policy_Sal	es_Channel 160 124 26	Vintage 228 123 271
3 4			0 0	24502.0 34115.0		152 124	115 148

```
def NullValues(data):
    null values = data.isnull().sum()
    duplicate_values = data.duplicated().sum()
    print(f"Null Values: \n{null values}\n\nDuplicate Values:
{duplicate_values}")
NullValues(df train)
Null Values:
                        0
Gender
Aae
                        0
Driving License
                        0
Region Code
                        0
Previously Insured
                        0
Vehicle Age
                        0
Vehicle Damage
                        0
Annual Premium
                        0
Policy_Sales_Channel
                        0
                        0
Vintage
                        0
Response
dtype: int64
Duplicate Values: 0
df train.describe()
                                   Driving License
             Gender
                              Aae
                                                      Region Code
count
       1.150480e+07
                     1.150480e+07
                                      1.150480e+07
                                                     1.150480e+07
       5.413510e-01
                     3.838356e+01
                                                     2.641869e+01
                                      9.980220e-01
mean
       4.982872e-01
                     1.499346e+01
                                      4.443120e-02
                                                     1.299159e+01
std
min
       0.000000e+00
                     2.000000e+01
                                      0.000000e+00
                                                     0.000000e+00
25%
       0.000000e+00
                     2.400000e+01
                                      1.000000e+00
                                                     1.500000e+01
50%
       1.000000e+00
                     3.600000e+01
                                      1.000000e+00
                                                     2.800000e+01
75%
       1.000000e+00
                     4.900000e+01
                                      1.000000e+00
                                                     3.500000e+01
       1.000000e+00
                     8.500000e+01
                                      1.000000e+00 5.200000e+01
max
       Previously Insured
                            Vehicle Age Vehicle Damage
Annual Premium \
             1.150480e+07 1.150480e+07
                                           1.150480e+07
count
1.150480e+07
             4.629966e-01 6.031073e-01
                                           5.026798e-01
mean
3.046137e+04
             4.986289e-01
                           5.678559e-01
                                           4.999928e-01
std
1.645475e+04
min
             0.000000e+00
                           0.000000e+00
                                           0.000000e+00
2.630000e+03
25%
             0.000000e+00
                           0.000000e+00
                                           0.000000e+00
2.527700e+04
             0.000000e+00
                           1.000000e+00
                                           1.000000e+00
50%
3.182400e+04
```

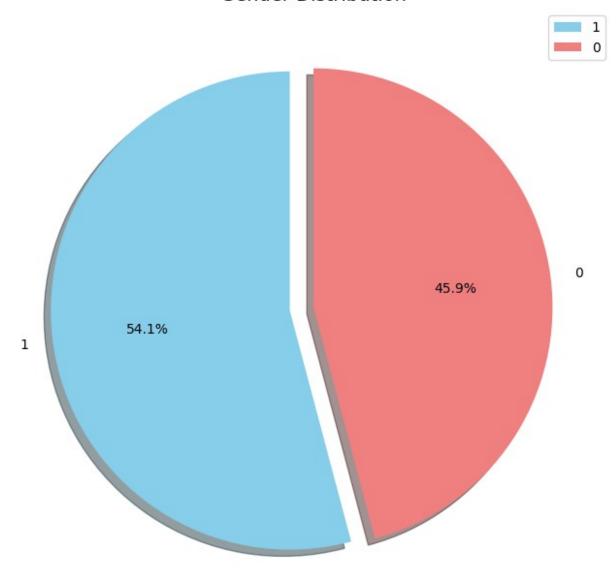
```
75%
             1.000000e+00 1.000000e+00
                                           1.000000e+00
3.945100e+04
             1.000000e+00 2.000000e+00
                                           1.000000e+00
max
5.401650e+05
       Policy_Sales_Channel
                                  Vintage
                                               Response
                                           1.150480e+07
               1.150480e+07
                             1.150480e+07
count
mean
               1.124254e+02
                             1.638977e+02
                                           1.229973e-01
               5.403571e+01
                             7.997953e+01
                                           3.284341e-01
std
               1.000000e+00
                            1.000000e+01
                                           0.000000e+00
min
25%
               2.900000e+01
                            9.900000e+01
                                           0.000000e+00
50%
               1.510000e+02
                            1.660000e+02
                                           0.000000e+00
                                           0.000000e+00
75%
               1.520000e+02
                             2.320000e+02
               1.630000e+02 2.990000e+02 1.000000e+00
max
if 'Response' in df train.columns and df train['Response'].nunique() >
1:
    response counts = df train['Response'].value counts()
   plt.figure(figsize=(8, 8))
   explode = (0.1, 0)
   plt.pie(response counts, labels=['No Response', 'Positive
Response'], autopct='%1.1f%%',
            colors=['lightblue', 'lightcoral'], startangle=90,
shadow=False, explode=explode)
   plt.title('Response Proportions', fontsize=14)
   plt.legend(loc="best")
   plt.show()
   print("The 'Response' column does not exist or there are unknown
columns.")
```

Response Proportions



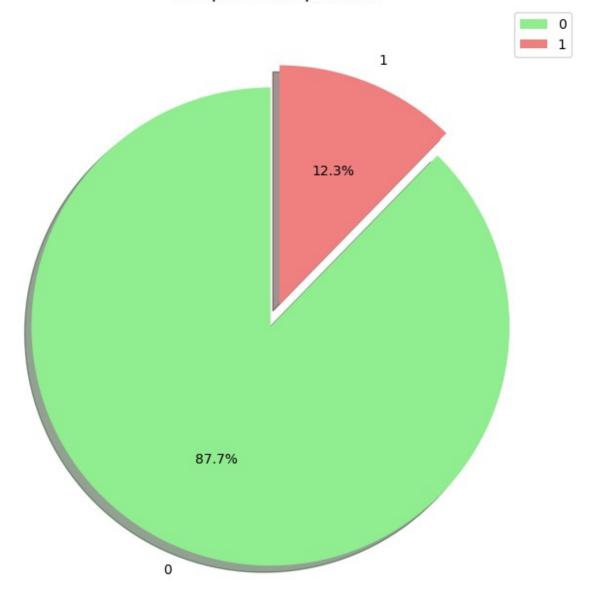
```
plt.legend(loc='best')
  plt.show()
else:
    print("The 'Gender' column is missing or does not have enough
categories to plot.")
```

Gender Distribution

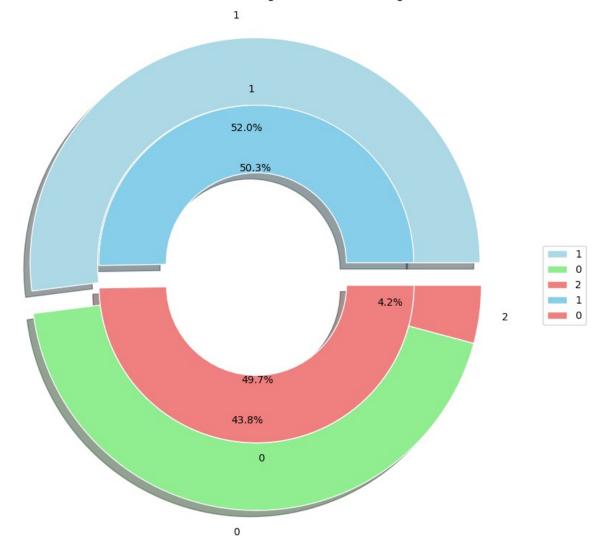


```
if 'Response' in df_train.columns and df_train['Response'].nunique() >
1:
    response_counts = df_train['Response'].value_counts()
    plt.figure(figsize=(8, 8))
```

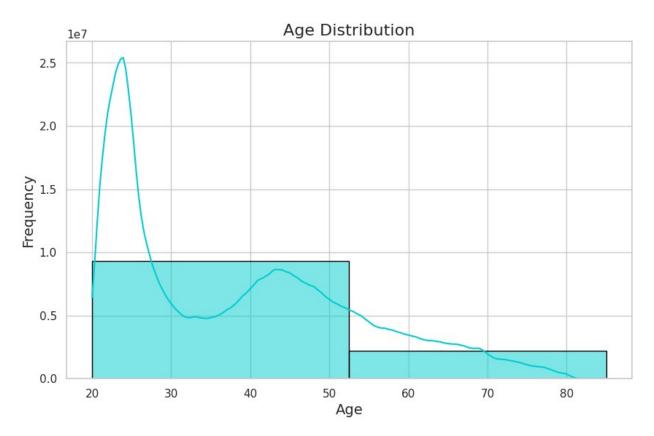
Response Proportions



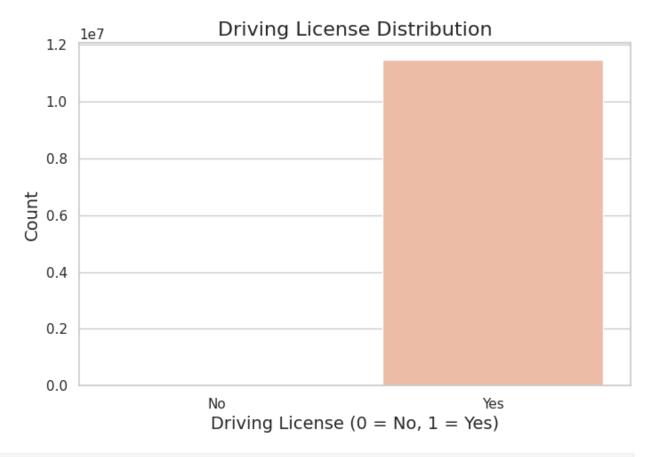
Nested Pie Plot of Vehicle Age and Vehicle Damage



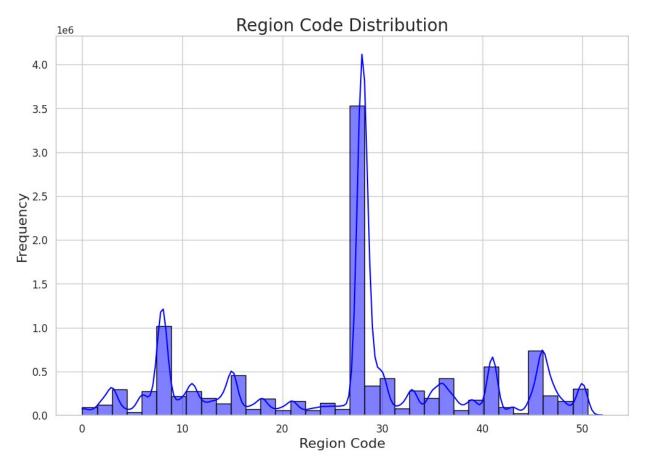
```
sns.set(style="whitegrid")
plt.figure(figsize=(10, 6))
bin_size = int((df_train['Age'].max() - df_train['Age'].min()) / 30)
sns.histplot(df_train['Age'], bins=bin_size, kde=True,
edgecolor='black', color='darkturquoise')
plt.title('Age Distribution', fontsize=16)
plt.xlabel('Age', fontsize=14)
plt.ylabel('Frequency', fontsize=14)
plt.show()
```



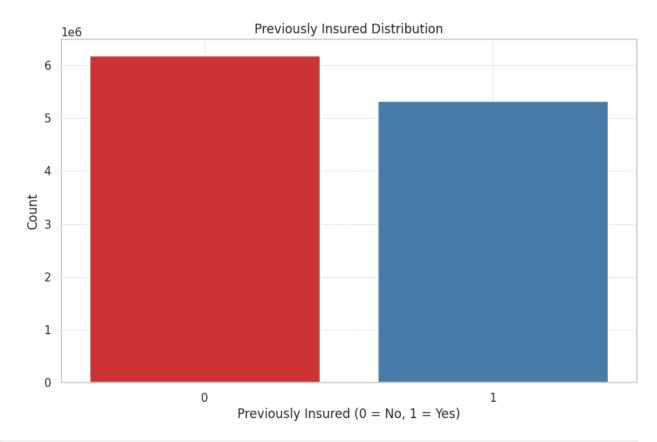
```
plt.figure(figsize=(8, 5))
sns.countplot(x='Driving_License', data=df_train, palette='coolwarm')
plt.title('Driving License Distribution', fontsize=16)
plt.xlabel('Driving License (0 = No, 1 = Yes)', fontsize=14)
plt.ylabel('Count', fontsize=14)
plt.xticks([0, 1], ['No', 'Yes'])
plt.show()
```



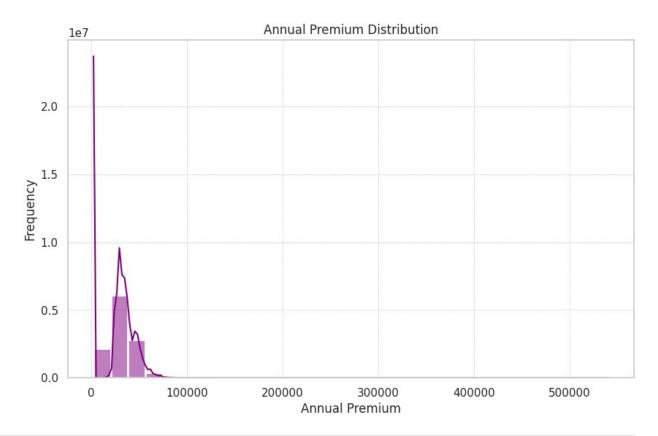
```
plt.figure(figsize=(12, 8))
sns.histplot(df_train['Region_Code'], bins=35, kde=True, color='blue',
edgecolor='black')
plt.title('Region Code Distribution', fontsize=20)
plt.xlabel('Region Code', fontsize=16)
plt.ylabel('Frequency', fontsize=16)
plt.xticks(fontsize=12)
plt.yticks(fontsize=12)
plt.grid(True)
plt.show()
```



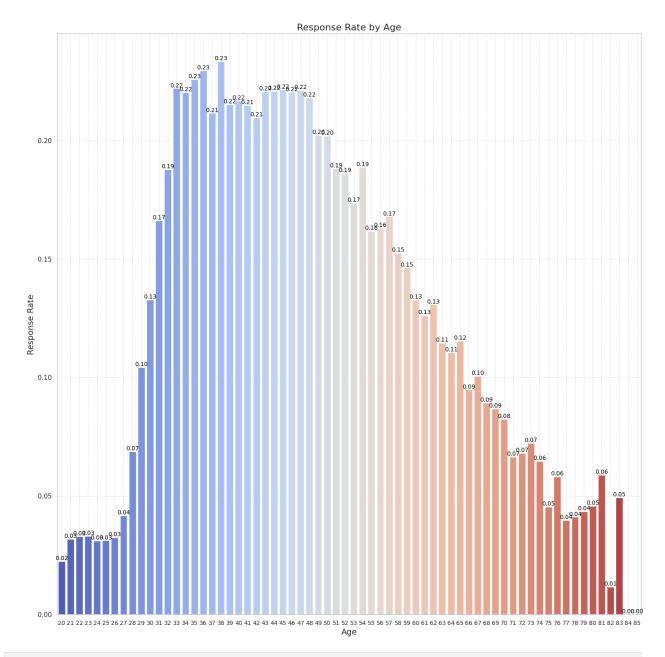
```
plt.figure(figsize=(10, 6))
sns.countplot(x='Previously_Insured', data=df_train, palette='Set1')
plt.title('Previously Insured Distribution')
plt.xlabel('Previously Insured (0 = No, 1 = Yes)')
plt.ylabel('Count')
plt.grid(True, which='both', linestyle='--', linewidth=0.5)
plt.show()
```



```
sns.set_style("whitegrid")
plt.figure(figsize=(10, 6))
sns.histplot(df_train['Annual_Premium'], bins=30, kde=True,
color='purple', linewidth=2)
plt.title('Annual Premium Distribution')
plt.xlabel('Annual Premium')
plt.ylabel('Frequency')
plt.grid(True, which='both', linestyle='--', linewidth=0.5)
plt.show()
```

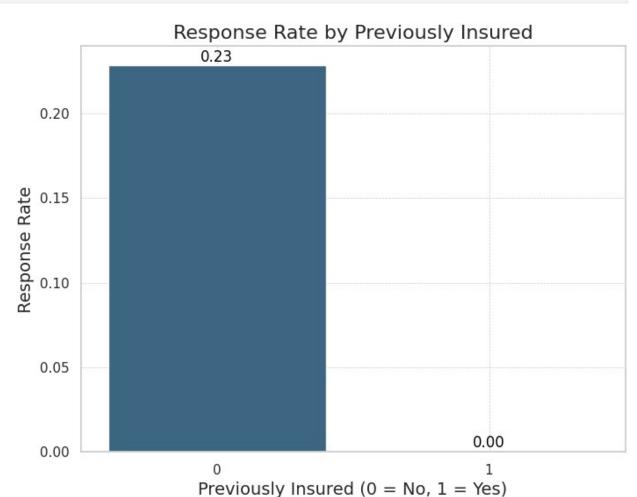


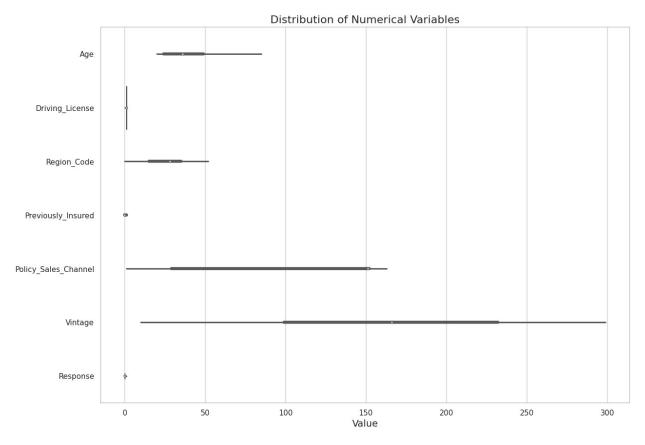
```
sns.set_style("whitegrid")
plt.figure(figsize=(18, 18))
age_response = df_train.groupby('Age')
['Response'].mean().reset_index()
sns.barplot(x='Age', y='Response', data=age_response,
palette='coolwarm')
plt.title('Response Rate by Age', fontsize=16)
plt.xlabel('Age', fontsize=14)
plt.ylabel('Response Rate', fontsize=14)
plt.ylabel('Response Rate', fontsize=10)
for index, row in age_response.iterrows():
    plt.text(row.name, row.Response, f'{row.Response:.2f}',
color='black', ha="center", va="bottom", fontsize=10)
plt.grid(True, which='both', linestyle='--', linewidth=0.5)
plt.show()
```



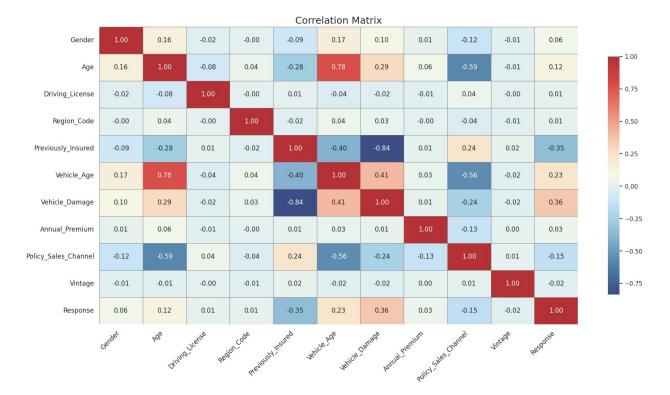
```
sns.set_style("whitegrid")
plt.figure(figsize=(8, 6))
insured_response = df_train.groupby('Previously_Insured')
['Response'].mean().reset_index()
sns.barplot(x='Previously_Insured', y='Response',
data=insured_response, palette='viridis')
plt.title('Response Rate by Previously Insured', fontsize=16)
plt.xlabel('Previously Insured (0 = No, 1 = Yes)', fontsize=14)
plt.ylabel('Response Rate', fontsize=14)
for index, row in insured_response.iterrows():
    plt.text(row.name, row.Response, f'{row.Response:.2f}',
color='black', ha="center", va="bottom", fontsize=12)
```

```
plt.grid(True, which='both', linestyle='--', linewidth=0.5)
plt.show()
```





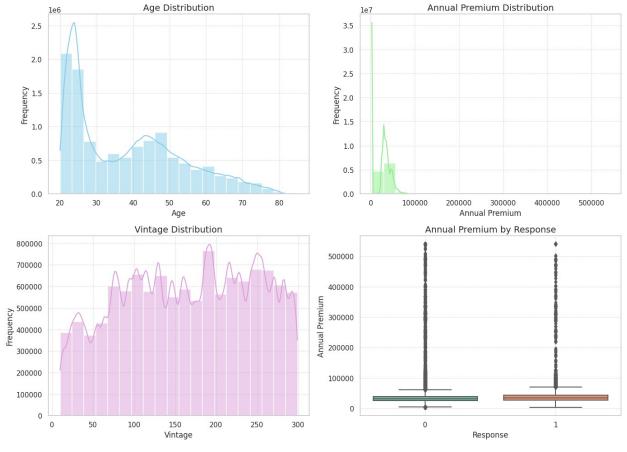
```
custom_palette = ["#3C4E85", "#4979A3", "#75A2C1", "#9FCCE1",
   "#CDE6F8", "#F5F8E8", "#F8E2C8", "#F1AF96", "#E87763", "#D74543",
   "#B43135"]
from matplotlib.colors import LinearSegmentedColormap
cmap = LinearSegmentedColormap.from_list("custom_cmap",
   custom_palette, N=256)
correlation_matrix = df_train.corr()
plt.figure(figsize=(20, 10))
sns.heatmap(correlation_matrix, annot=True, cmap=cmap, fmt=".2f",
   linewidths=0.5, linecolor='gray', cbar_kws={"shrink": 0.8})
plt.title('Correlation Matrix', fontsize=18)
plt.xticks(rotation=45, ha='right', fontsize=12)
plt.yticks(rotation=0, fontsize=12)
plt.show()
```



correlation_matrix							
	Gender	Age	Driving_License	Region_Code			
Gender	1.000000	0.157663	-0.018702	-0.000106			
Age	0.157663	1.000000	-0.078519	0.037041			
Driving_License	-0.018702	-0.078519	1.000000	-0.001329			
Region_Code	-0.000106	0.037041	-0.001329	1.000000			
Previously_Insured	-0.087614	-0.276248	0.013733	-0.022367			
Vehicle_Age	0.167354	0.779041	-0.036511	0.039242			
Vehicle_Damage	0.096989	0.287952	-0.015563	0.026468			
Annual_Premium	0.010652	0.056327	-0.007300	-0.001741			
Policy_Sales_Channel	-0.116058	-0.591443	0.042941	-0.037606			
Vintage	-0.009535	-0.013293	-0.000697	-0.005537			
Response	0.055212	0.122134	0.009197	0.012816			
	Previous	ly_Insured	Vehicle_Age Veh	icle_Damage			

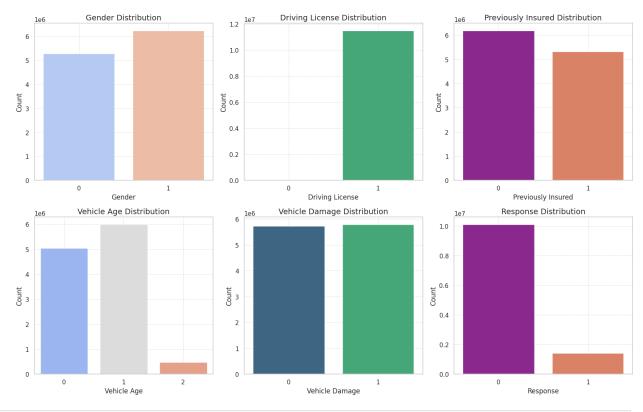
V			
\ Gender	-0.08761	4 0.167354	0.096989
Age	-0.27624	8 0.779041	0.287952
Driving_License	0.01373	3 -0.036511	-0.015563
Region_Code	-0.02236	7 0.039242	0.026468
Previously_Insured	1.00000	9 -0.396752	-0.836214
Vehicle_Age	-0.39675	2 1.000000	0.410515
Vehicle_Damage	-0.83621	4 0.410515	1.000000
Annual_Premium	0.00766	5 0.028007	0.012728
Policy_Sales_Channel	0.23683	8 -0.558992	-0.241036
Vintage	0.01943	1 -0.018022	-0.019393
Response	-0.34593	0.231029	0.359780
	Annual Premium P	olicy_Sales_Channel	Vintage
Response			
Gender 0.055212	0.010652	-0.110038	-0.009535
Age 0.122134	0.056327	-0.591443	-0.013293
Driving_License	-0.007300	0.042941	-0.000697
0.009197	-0.001741	0 027606	0 005527
Region_Code 0.012816	-0.001/41	-0.037606	-0.005537
Previously_Insured	0.007665	0.236838	0.019431 -
0.345930 Vehicle Age	0.028007	-0 558992	-0.018022
0.231029	01020007	0.330332	0.010022
Vehicle_Damage	0.012728	-0.241036	-0.019393
0.359780 Annual Premium	1.000000	-0.128559	0.003284
0.032261	1.000000	-0.120339	0.003204
Policy_Sales_Channel	-0.128559	1.000000	0.008999 -
0.152733 Vintage	0.003284	0.008999	1.000000 -
0.015177			
Response 1.000000	0.032261	-0.152733	-0.015177
<pre>sns.set(style="whiteg plt.figure(figsize=(1</pre>			

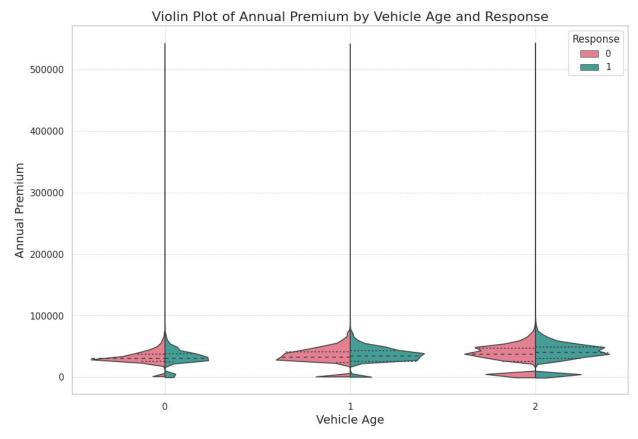
```
# Subplot 1: Age Distribution
plt.subplot(2, 2, 1)
sns.histplot(df train['Age'], bins=20, kde=True, color='skyblue')
plt.title('Age Distribution', fontsize=14)
plt.xlabel('Age', fontsize=12)
plt.ylabel('Frequency', fontsize=12)
plt.grid(True, linestyle='--', linewidth=0.5)
# Subplot 2: Annual Premium Distribution
plt.subplot(2, 2, 2)
sns.histplot(df train['Annual Premium'], bins=20, kde=True,
color='lightgreen')
plt.title('Annual Premium Distribution', fontsize=14)
plt.xlabel('Annual Premium', fontsize=12)
plt.ylabel('Frequency', fontsize=12)
plt.grid(True, linestyle='--', linewidth=0.5)
# Subplot 3: Vintage Distribution
plt.subplot(2, 2, 3)
sns.histplot(df train['Vintage'], bins=20, kde=True, color='plum')
plt.title('Vintage Distribution', fontsize=14)
plt.xlabel('Vintage', fontsize=12)
plt.ylabel('Frequency', fontsize=12)
plt.grid(True, linestyle='--', linewidth=0.5)
# Subplot 4: Annual Premium by Response
plt.subplot(2, 2, 4)
sns.boxplot(x='Response', y='Annual Premium', data=df train,
palette='Set2')
plt.title('Annual Premium by Response', fontsize=14)
plt.xlabel('Response', fontsize=12)
plt.ylabel('Annual Premium', fontsize=12)
plt.grid(True, linestyle='--', linewidth=0.5)
# Adjusting the layout to prevent overlap
plt.tight_layout()
plt.show()
```



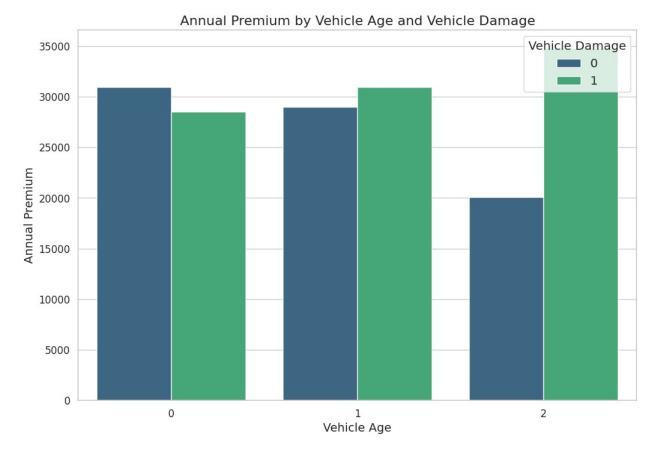
```
sns.set(style="whitegrid")
plt.figure(figsize=(16, 10))
# Subplot 1: Gender Distribution
plt.subplot(2, 3, 1)
sns.countplot(x='Gender', data=df_train, palette='coolwarm')
plt.title('Gender Distribution', fontsize=14)
plt.xlabel('Gender', fontsize=12)
plt.ylabel('Count', fontsize=12)
plt.grid(True, linestyle='--', linewidth=0.5)
# Subplot 2: Driving License Distribution
plt.subplot(2, 3, 2)
sns.countplot(x='Driving License', data=df train, palette='viridis')
plt.title('Driving License Distribution', fontsize=14)
plt.xlabel('Driving License', fontsize=12)
plt.ylabel('Count', fontsize=12)
plt.grid(True, linestyle='--', linewidth=0.5)
# Subplot 3: Previously Insured Distribution
plt.subplot(2, 3, 3)
sns.countplot(x='Previously_Insured', data=df_train, palette='plasma')
plt.title('Previously Insured Distribution', fontsize=14)
```

```
plt.xlabel('Previously Insured', fontsize=12)
plt.ylabel('Count', fontsize=12)
plt.grid(True, linestyle='--', linewidth=0.5)
# Subplot 4: Vehicle Age Distribution
plt.subplot(2, 3, 4)
sns.countplot(x='Vehicle_Age', data=df_train, palette='coolwarm')
plt.title('Vehicle Age Distribution', fontsize=14)
plt.xlabel('Vehicle Age', fontsize=12)
plt.ylabel('Count', fontsize=12)
plt.grid(True, linestyle='--', linewidth=0.5)
# Subplot 5: Vehicle Damage Distribution
plt.subplot(2, 3, 5)
sns.countplot(x='Vehicle Damage', data=df train, palette='viridis')
plt.title('Vehicle Damage Distribution', fontsize=14)
plt.xlabel('Vehicle Damage', fontsize=12)
plt.ylabel('Count', fontsize=12)
plt.grid(True, linestyle='--', linewidth=0.5)
# Subplot 6: Response Distribution
plt.subplot(2, 3, 6)
sns.countplot(x='Response', data=df_train, palette='plasma')
plt.title('Response Distribution', fontsize=14)
plt.xlabel('Response', fontsize=12)
plt.ylabel('Count', fontsize=12)
plt.grid(True, linestyle='--', linewidth=0.5)
plt.tight layout()
plt.show()
```





```
sns.set(style="whitegrid")
plt.figure(figsize=(12, 8))
sns.barplot(x='Vehicle_Age', y='Annual_Premium', hue='Vehicle_Damage',
data=df_train, palette='viridis', ci=None)
plt.title('Annual Premium by Vehicle Age and Vehicle Damage',
fontsize=16)
plt.xlabel('Vehicle Age', fontsize=14)
plt.ylabel('Annual Premium', fontsize=14)
plt.xticks(fontsize=12)
plt.yticks(fontsize=12)
plt.yticks(fontsize=12)
plt.legend(title='Vehicle Damage', title_fontsize='large',
fontsize='large')
plt.show()
```

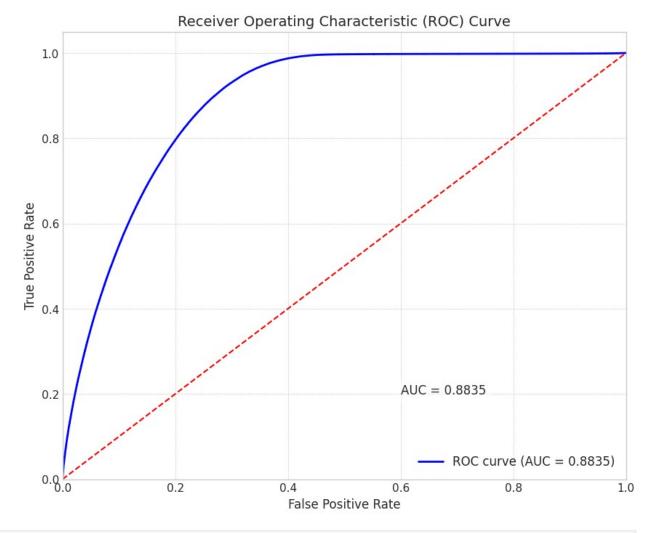


<pre>df_train.head()</pre>							
Ve	Gender hicle A		Driving_	License	Region_Code	Previously	_Insured
0	-	21		1	35		0
1	1	43		1	28		0
2	0	25		1	14		1
0 3	0	35		1	1		0
1 4	0	36		1	15		1
1							
Re	Vehicl sponse	e_Dama	ge Annua	l_Premium	Policy_Sal	es_Channel	Vintage
0	5001150		1	65101.0		124	187
1			1	58911.0		26	288
2			0	38043.0		152	254
0 3			1	2630.0		156	76

```
0
4
                0
                                                               294
                          31951.0
                                                     152
0
def feature engineering(df):
    df['Age_Vehicle_Age'] = df['Age'] * df['Vehicle_Age']
    df['Age Previously Insured'] = df['Age'] *
df['Previously Insured']
    df['Vehicle Age Damage'] = df['Vehicle Age'] *
df['Vehicle Damage']
    df['Previously_Insured_Damage'] = df['Previously_Insured'] *
df['Vehicle Damage']
    df['Age squared'] = df['Age'] ** 2
    df['Vehicle Age squared'] = df['Vehicle Age'] ** 2
    df['Annual Premium per Age'] = df['Annual Premium'] / (df['Age'] +
1)
    return df
df train = feature engineering(df train)
df test = feature engineering(df test)
df train.dtypes
Gender
                                int64
                                int64
Age
Driving License
                                int64
Region Code
                                int64
Previously Insured
                                int64
Vehicle Age
                                int64
Vehicle Damage
                                int64
Annual Premium
                             float64
Policy Sales Channel
                                int64
Vintage
                                int64
Response
                                int64
Age Vehicle Age
                                int64
Age Previously Insured
                                int64
Vehicle Age Damage
                                int64
Previously Insured Damage
                                int64
Age squared
                                int64
Vehicle_Age_squared
                                int64
Annual Premium per Age
                             float64
dtype: object
df train.shape
(11504798, 18)
df test.shape
(7669866, 17)
```

```
y = df_train['Response']
X = df train.drop(['Response'],axis=1)
train X, test X, train y, test y = train test split(X, y,test size =
0.2, random state =41)
xqb params = {
    'colsample bytree': 0.48,
    'learning_rate': 0.01567,
    'max depth': 10,
    'min_child_weight': 6,
    'max_bin': 3500,
    'n_estimators': 3000, 'eval_metric': 'auc'
model=XGBRegressor(**xgb_params)
XGB=model.fit(train_X,train_y)
prediction=XGB.predict(test X)
test pred = XGB.predict(df test)
sample_submission
               id Response
0
         11504798 -0.010802
1
         11504799 0.472721
2
         11504800 0.245270
3
         11504801 0.003398
         11504802 0.118081
4
7669861 19174659 0.187156
        19174660 -0.001677
7669862
7669863 19174661 0.001568
7669864
         19174662
                   0.622429
7669865 19174663 -0.000309
[7669866 rows x 2 columns]
sample submission.Response= test pred
test pred = XGB.predict(test X)
fpr, tpr, thresholds = roc_curve(test_y, test_pred)
auc = roc auc score(test y, test pred)
plt.figure(figsize=(10, 8))
plt.style.use('seaborn-whitegrid')
plt.plot(fpr, tpr, color='blue', lw=2, label='ROC curve (AUC = %0.4f)'
% auc)
plt.plot([0, 1], [0, 1], color='red', linestyle='--')
```

```
plt.xlim([0.0, 1.0])
plt.ylim([0.0, 1.05])
plt.xlabel('False Positive Rate', fontsize=12)
plt.ylabel('True Positive Rate', fontsize=12)
plt.title('Receiver Operating Characteristic (ROC) Curve',
fontsize=14)
plt.text(0.6, 0.2, f'AUC = {auc: .4f}', fontsize=12,
bbox=dict(facecolor='white', alpha=0.5))
plt.legend(loc='lower right', fontsize=12)
plt.grid(True, linestyle='--', linewidth=0.5)
plt.show()
```



```
2
        11504800 0.245270
3
        11504801 0.003398
4
        11504802 0.118081
7669861 19174659 0.187156
7669862 19174660 -0.001677
7669863 19174661 0.001568
7669864 19174662 0.622429
7669865 19174663 -0.000309
[7669866 rows x 2 columns]
jupyter nbconvert --to webpdf --allow-chromium-download
your_notebook.ipynb
  Cell In[3], line 1
   jupyter nbconvert --to webpdf --allow-chromium-download
your_notebook.ipynb
SyntaxError: invalid syntax
```