Title: "Analysing and Predicting Prices of Used Vehicles"

# Introduction:

The proposed capstone project aims to address the critical issue of understanding and predicting car pricing in the used vehicles market. The used car market is a big part of the car industry, and it affects both individuals as well as businesses. “There is a need for a used car price prediction system to effectively determine the worthiness of the car using a variety of features.” (Gokce, 2020).

This project is important because it deals with real-world problems like car price inflation, how some people have more information than others, and the need for accurate pricing. This project will help potential car buyers, sellers and dealers make informed decisions, ultimately contributing to a more transparent and efficient marketplace.

# Objectives:

Development of a Predictive Pricing Model:

Create an advanced pricing model that considers various factors influencing used car prices, Manufacture, Model, Production year, Category, Fuel type, Mileage, and Engine size.

Data collection and Analysis:

Collect and analyze extensive historical data to train and validate the pricing model, ensuring its accuracy and reliability. (Simplilearn, 2021)

Market insights:

Studying and understanding how the used car market works. To understand why people, prefer certain cars, why prices change in different places, and how factors like the economy or the time of year affect car prices. By doing this, we can make sure our pricing model is smart and can adapt to all these changes in the market.

Compare the predicted price against the available price.

To be able to make a better informed decision by comparing the available price of a car vs the predicted price of a similar model to decide whether the buyer is getting a bargain or the car is overpriced.

User-friendly tool:

Develop a user-friendly interface or application that allows consumers and dealers to estimate car prices easily based on the model's predictions.

# Problem Definition:

The used car market suffers from pricing uncertainty, often leaving buyers and sellers unsure of the fair market value of vehicles. This lack of transparency can lead to both overpricing and underpricing, affecting consumers' purchasing power and businesses' profitability. Therefore, it is essential to develop an accurate pricing model that addresses these issues and provides users with reliable pricing estimates.