Binary Classification of Insurance Cross Selling



About The data Columns:

- 😀 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).
- **Wehicle_Age**: Categorical variable indicating the age of the vehicle.
- **Wehicle Damage**: Categorical variable indicating if the vehicle was damaged in the past.

Annual_Premium: Numeric variable indicating the annual premium amount.

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

About The Competition:

Task: The objective of this competition is to predict which customers respond positively to an automobile

Dataset: The dataset for this competition (both train and test) was generated from a deep learning model

Evaluation: Submissions are evaluated using area under the ROC curve.

```
In [ ]: import numpy as np
         import pandas as pd
         import matplotlib.pyplot as plt
         import seaborn as sns
In [ ]: 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
In [ ]: from lightgbm import LGBMRegressor
         from xgboost import XGBRegressor
         import warnings
         warnings.filterwarnings("ignore")
         pd.set_option('display.max_columns', None)
In [ ]: 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')
In [
     ]:
         df_train.head()
Out[]:
            Gender Age Driving_License Region_Code Previously_Insured Vehicle_Age Vehicle_Damage Annual_Prem
         0
                 1
                                                   35
                                                                      0
                                                                                                              651
                      21
                                      1
                                                                                   1
                                                                                                   1
                 1
                      43
                                                                                   2
                                                   28
                                                                      0
                                                                                                              589
         2
                 0
                      25
                                      1
                                                   14
                                                                      1
                                                                                   0
                                                                                                   0
                                                                                                              380
         3
                 0
                      35
                                                                                                               26
                 0
                                      1
                                                   15
                                                                      1
                                                                                   1
                                                                                                   0
                                                                                                              319
         4
                      36
        df_test.head()
                         Driving_License Region_Code Previously_Insured Vehicle_Age Vehicle_Damage Annual_Prem
Out[]:
            Gender Age
         0
                                                                                   0
                 0
                      20
                                      1
                                                   47
                                                                      0
                                                                                                   0
                                                                                                               26
                 1
                      47
                                                   28
                                                                      0
                                                                                                              374
         2
                 1
                      47
                                       1
                                                   43
                                                                      0
                                                                                   1
                                                                                                   1
                                                                                                               26
                 0
                      22
                                                   47
                                                                                   0
                                                                                                              245
                                                   19
                                                                      0
                 1
                      51
                                      1
                                                                                   1
                                                                                                   0
                                                                                                              341
In [ ]: 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}")
In [ ]: NullValues(df_train)
```

Null Values: Gender 0 Age Driving_License Region_Code Previously_Insured 0 Vehicle_Age Vehicle_Damage 0 Annual_Premium 0 Policy_Sales_Channel 0 Vintage Response dtype: int64

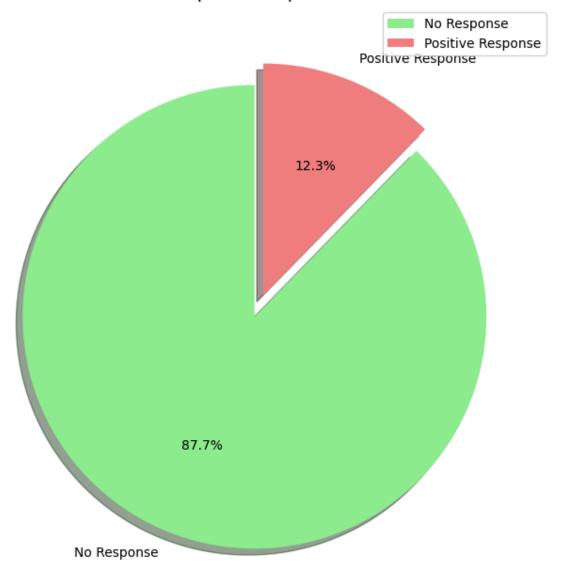
Duplicate Values: 0

In []: df_train.describe()

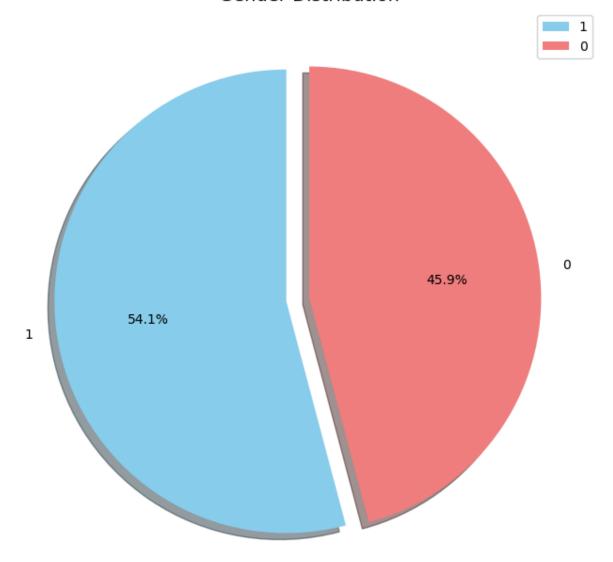
Out[]:		Gender	Age	Driving_License	Region_Code	Previously_Insured	Vehicle_Age	Vehicle_D
	count	1.150480e+07	1.150480e+07	1.150480e+07	1.150480e+07	1.150480e+07	1.150480e+07	1.15048
	mean	5.413510e-01	3.838356e+01	9.980220e-01	2.641869e+01	4.629966e-01	6.031073e-01	5.0267
	std	4.982872e-01	1.499346e+01	4.443120e-02	1.299159e+01	4.986289e-01	5.678559e-01	4.9999
	min	0.000000e+00	2.000000e+01	0.000000e+00	0.000000e+00	0.000000e+00	0.000000e+00	0.00000
	25%	0.000000e+00	2.400000e+01	1.000000e+00	1.500000e+01	0.000000e+00	0.000000e+00	0.00000
	50%	1.000000e+00	3.600000e+01	1.000000e+00	2.800000e+01	0.000000e+00	1.000000e+00	1.00000
	75%	1.000000e+00	4.900000e+01	1.000000e+00	3.500000e+01	1.000000e+00	1.000000e+00	1.00000
	max	1.000000e+00	8.500000e+01	1.000000e+00	5.200000e+01	1.000000e+00	2.000000e+00	1.00000
	4							>

📉 Exploratory Data Analysis 📊

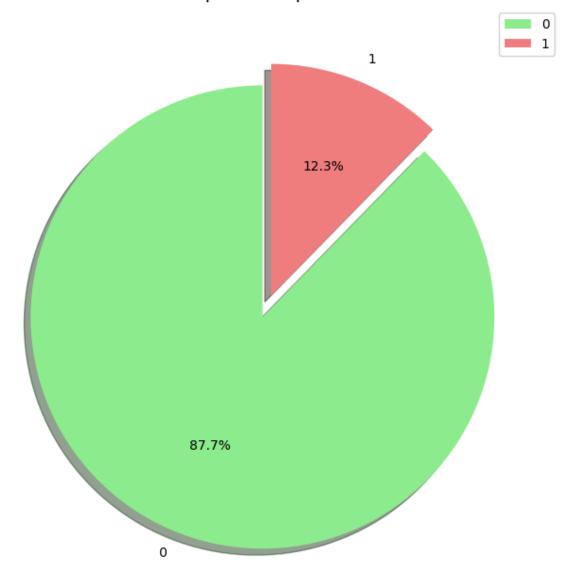
Response Proportions



Gender Distribution

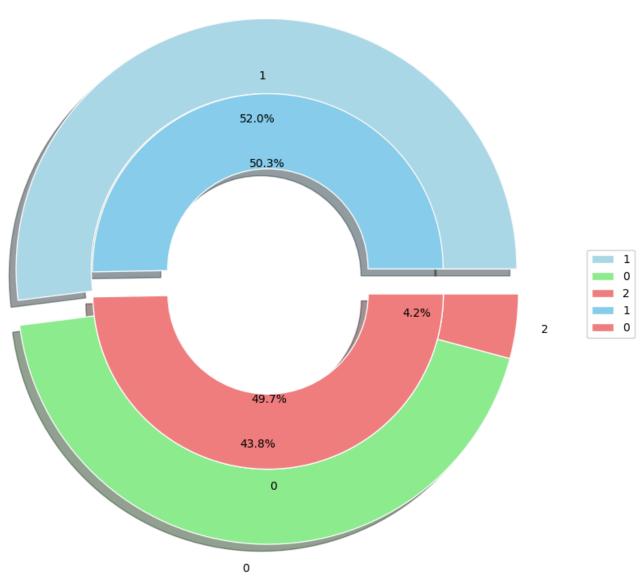


Response Proportions



```
In [ ]: if all(column in df_train.columns and df_train[column].nunique() > 1 for column in ['Vehicle_Age', 'V
             vehicle_age_counts = df_train['Vehicle_Age'].value_counts()
             vehicle_damage_counts = df_train['Vehicle_Damage'].value_counts()
             fig, ax = plt.subplots(figsize=(10, 10))
             explode_outer = (0.1, 0, 0)
             ax.pie(vehicle_age_counts, labels=vehicle_age_counts.index, autopct='%1.1f%%',
                    colors=['lightblue', 'lightgreen', 'lightcoral'], radius=1, shadow=True, explode=explode_o
                    wedgeprops=dict(width=0.3, edgecolor='w'))
             explode_inner = (0.1, 0)
             ax.pie(vehicle_damage_counts, labels=vehicle_damage_counts.index, autopct='%1.1f%'',
                    colors=['skyblue', 'lightcoral'], radius=0.7, shadow=True, explode=explode_inner,
                    wedgeprops=dict(width=0.3, edgecolor='w'))
             ax.set(aspect="equal", title='Nested Pie Plot of Vehicle Age and Vehicle Damage')
             plt.legend(loc="center left", bbox_to_anchor=(1, 0, 0.5, 1))
             plt.show()
         else:
             print("One or both of the 'Vehicle_Age' or 'Vehicle_Damage' columns are missing or do not have en
```

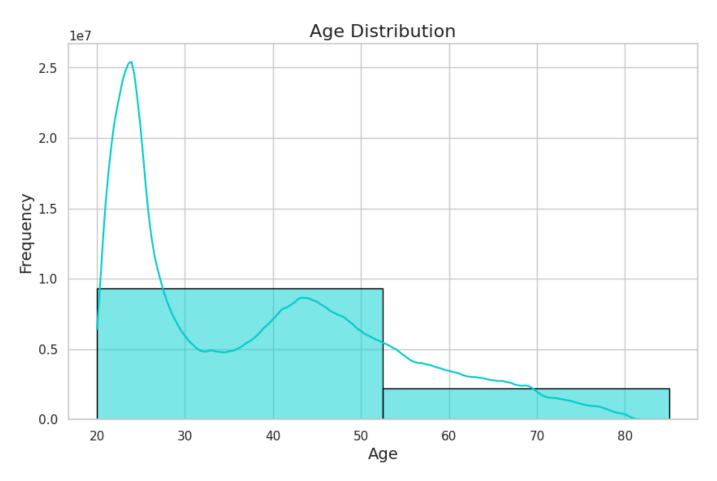




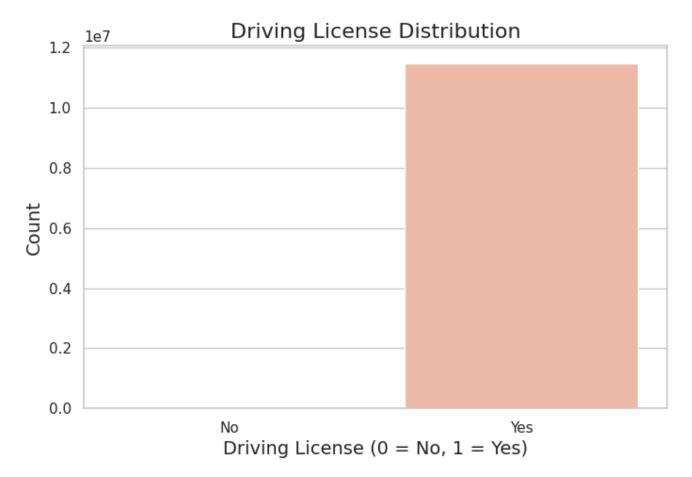
```
In [ ]:
    sns.set(style="whitegrid")
    plt.figure(figsize=(10, 6))
    bin_size = int((df_train['Age'].max() - df_train['Age'].min()) / 30)

    sns.histplot(df_train['Age'], bins=bin_size, kde=True, edgecolor='black', color='darkturquoise')

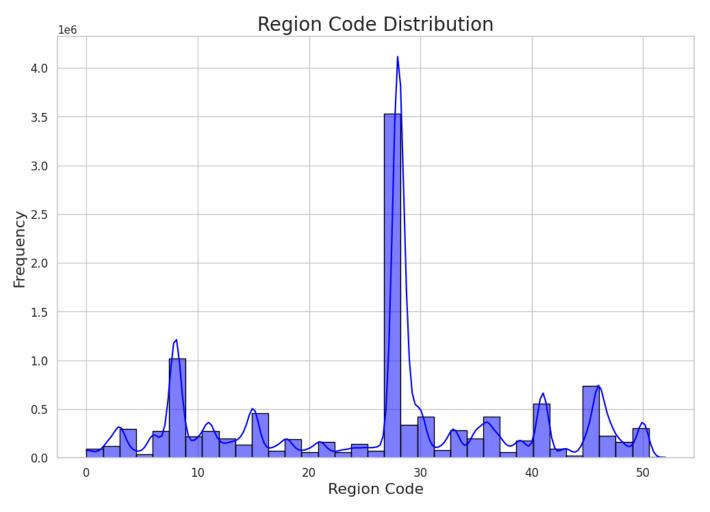
    plt.title('Age Distribution', fontsize=16)
    plt.xlabel('Age', fontsize=14)
    plt.ylabel('Frequency', fontsize=14)
    plt.show()
```



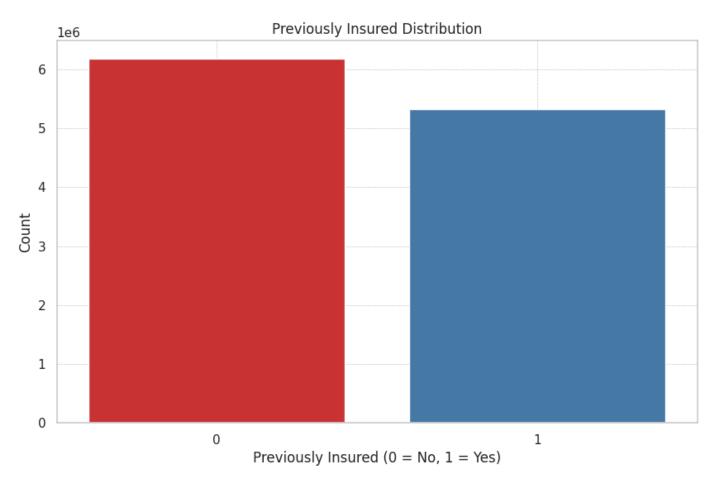
```
In []: plt.figure(figsize=(8, 5))
    sns.countplot(x='Driving_License', data=df_train, palette='coolwarm')
    plt.title('Driving License Distribution', fontsize=16)
    plt.xlabel('Driving License (0 = No, 1 = Yes)', fontsize=14)
    plt.ylabel('Count', fontsize=14)
    plt.xticks([0, 1], ['No',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



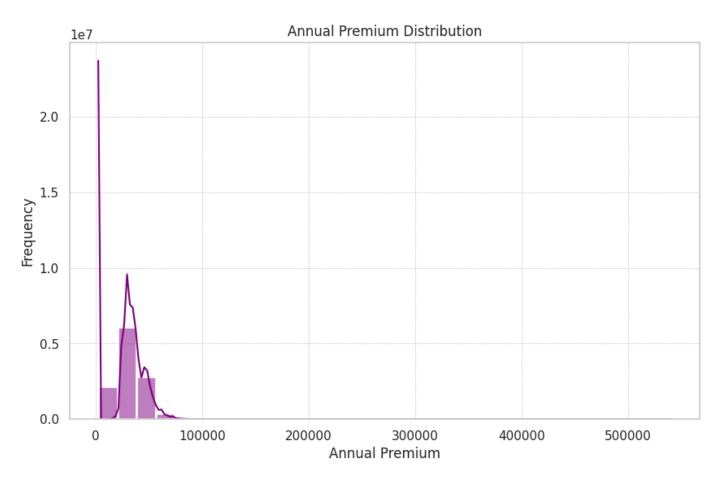
```
In [ ]:
    plt.figure(figsize=(12, 8))
    sns.histplot(df_train['Region_Code'], bins=35, kde=True, color='blue', edgecolor='black')
    plt.title('Region Code Distribution', fontsize=20)
    plt.xlabel('Region Code', fontsize=16)
    plt.ylabel('Frequency', fontsize=16)
    plt.xticks(fontsize=12)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



```
In [ ]: 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()
```



```
In []: 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()
```



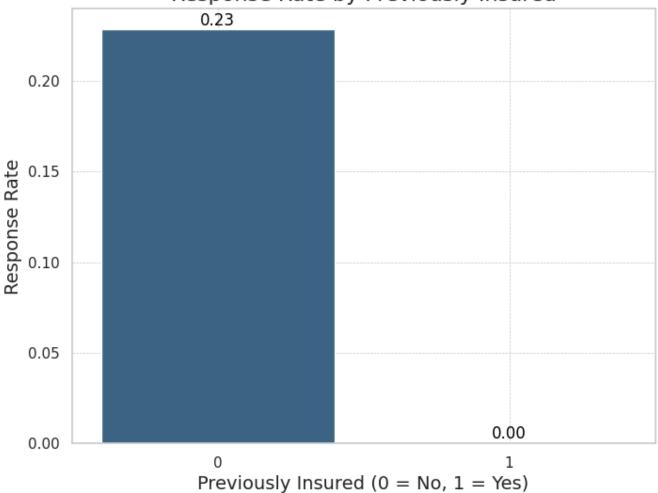
```
In []: sns.set_style("whitegrid")
  plt.figure(figsize=(18, 18))
  age_response = df_train.groupby('Age')['Response'].mean().reset_index()
  sns.barplot(x='Age', y='Response', data=age_response, palette='coolwarm')
  plt.title('Response Rate by Age', fontsize=16)
  plt.xlabel('Age', fontsize=14)
  plt.ylabel('Response Rate', fontsize=14)
  plt.ylabel('Response Rate', fontsize=14)
  plt.xticks(rotation=0, 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", plt.grid(True, which='both', linestyle='--', linewidth=0.5)
  plt.show()
```

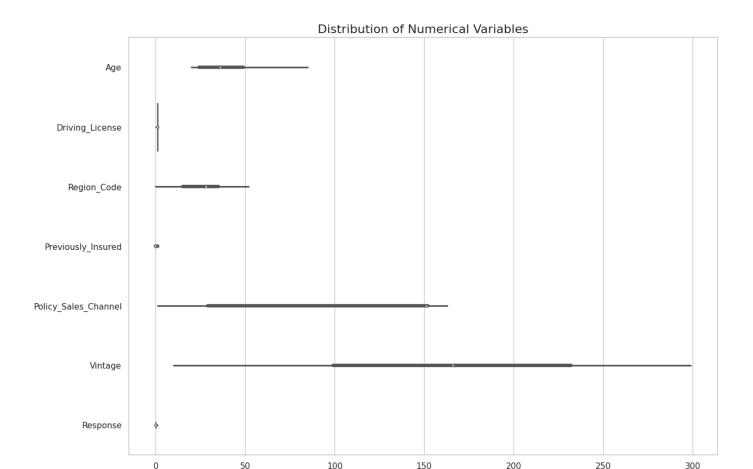
```
In []: sns.set_style("whitegrid")
   plt.figure(figsize=(8, 6))
   insured_response = df_train.groupby('Previously_Insured')['Response'].mean().reset_index()
   sns.barplot(x='Previously_Insured', y='Response', data=insured_response, palette='viridis')
   plt.title('Response Rate by Previously Insured', 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",
        plt.grid(True, which='both', linestyle='--', linewidth=0.5)
        plt.show()
```

Age

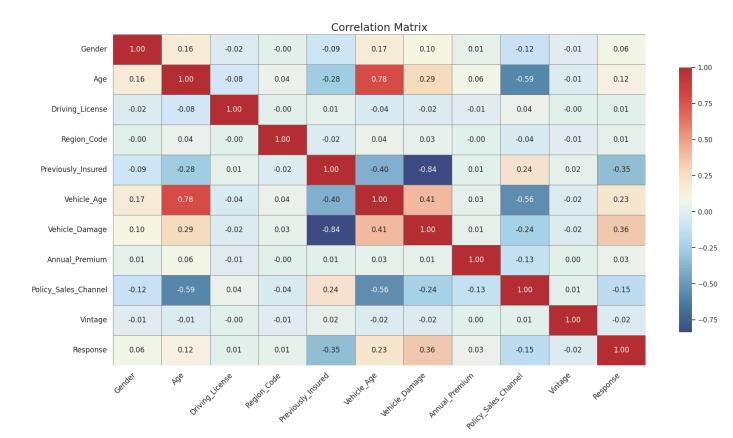
0.05

Response Rate by Previously Insured





Value



Out[]:		Gender	Age	Driving_License	Region_Code	Previously_Insured	Vehicle_Age	Vehi
	Gender	1.000000	0.157663	-0.018702	-0.000106	-0.087614	0.167354	
	Age	0.157663	1.000000	-0.078519	0.037041	-0.276248	0.779041	
	Driving_License	-0.018702	-0.078519	1.000000	-0.001329	0.013733	-0.036511	
	Region_Code	-0.000106	0.037041	-0.001329	1.000000	-0.022367	0.039242	
	Previously_Insured	-0.087614	-0.276248	0.013733	-0.022367	1.000000	-0.396752	
	Vehicle_Age	0.167354	0.779041	-0.036511	0.039242	-0.396752	1.000000	
	Vehicle_Damage	0.096989	0.287952	-0.015563	0.026468	-0.836214	0.410515	
	Annual_Premium	0.010652	0.056327	-0.007300	-0.001741	0.007665	0.028007	

0.042941

-0.000697

0.009197

-0.037606

-0.005537

0.012816

0.236838

0.019431

-0.345930

-0.558992

-0.018022

0.231029

correlation_matrix

Policy_Sales_Channel -0.116058 -0.591443

-0.009535

0.055212

Vintage

Response

-0.013293

0.122134

```
In []: sns.set(style="whitegrid")
  plt.figure(figsize=(14, 10))

# 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)
```

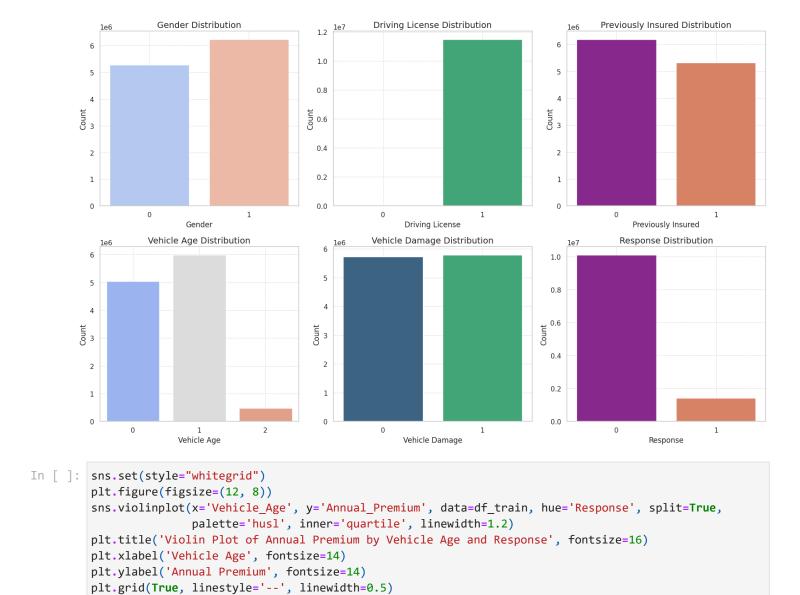
```
# Subplot 2: Annual Premium Distribution
 plt.subplot(2, 2, 2)
 sns.histplot(df_train['Annual_Premium'], bins=20, kde=True, color='lightgreen')
 plt.title('Annual Premium Distribution', fontsize=14)
 plt.xlabel('Annual Premium', fontsize=12)
 plt.ylabel('Frequency', fontsize=12)
 plt.grid(True, linestyle='--', 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()
                         Age Distribution
                                                                               Annual Premium Distribution
                                                              3.5
    2.5
                                                              3.0
    2.0
                                                              2.5
  Frequency
                                                             Frequency
    1.5
                                                              2.0
                                                              1.5
    1.0
                                                              1.0
    0.5
                                                              0.5
    0.0
                                                              0.0
                                                                          100000
                                                                                  200000
                                                                                          300000
                                                                                                   400000
                                                                                                           500000
                                                                                    Annual Premium
                              Age
                        Vintage Distribution
                                                                              Annual Premium by Response
 800000
                                                            500000
 700000
 600000
                                                            400000
                                                         Annual Premium
  500000
Frequency
                                                            300000
  400000
                                                            200000
 300000
 200000
                                                            100000
 100000
               50
                      100
                              150
                                      200
                                             250
                                                     300
                                                                                                      1
```

```
In [ ]: sns.set(style="whitegrid")
  plt.figure(figsize=(16, 10))
```

Response

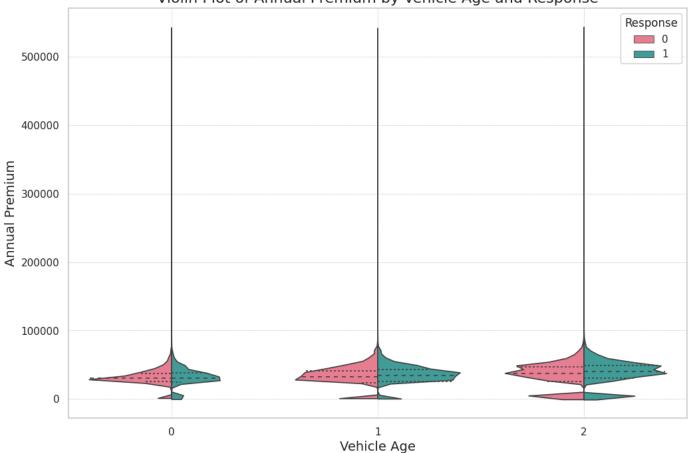
Vintage

```
# 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()
```



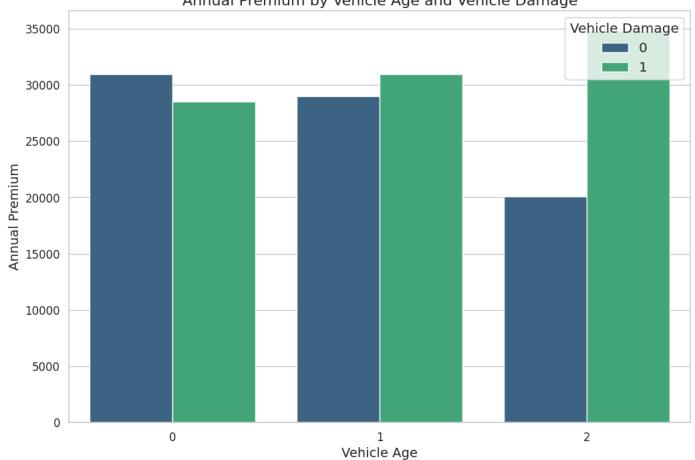
plt.show()





```
In [ ]: sns.set(style="whitegrid")
  plt.figure(figsize=(12, 8))
  sns.barplot(x='Vehicle_Age', y='Annual_Premium', hue='Vehicle_Damage', data=df_train, palette='viridi
  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.legend(title='Vehicle Damage', title_fontsize='large', fontsize='large')
  plt.show()
```

Annual Premium by Vehicle Age and Vehicle Damage



```
In [ ]: df_train.head()
```

Out[]:		Gender	Age	Driving_License	Region_Code	Previously_Insured	Vehicle_Age	Vehicle_Damage	Annual_Prem
	0	1	21	1	35	0	1	1	651
	1	1	43	1	28	0	2	1	589
	2	0	25	1	14	1	0	0	380
	3	0	35	1	1	0	1	1	26
	4	0	36	1	15	1	1	0	319
	4								•

```
In [ ]:

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
```

```
In [ ]: df_train = feature_engineering(df_train)
df_test = feature_engineering(df_test)
```

```
In [ ]: df_train.dtypes
```

```
Out[]: Gender
         Age
                                         int64
                                         int64
         Driving_License
                                         int64
         Region_Code
         Previously_Insured
                                         int64
                                         int64
         Vehicle Age
         Vehicle_Damage
                                         int64
         Annual Premium
                                       float64
         Policy_Sales_Channel
                                         int64
                                         int64
         Vintage
         Response
                                         int64
         Age_Vehicle_Age
                                         int64
         Age Previously Insured
                                         int64
                                         int64
         Vehicle_Age_Damage
         Previously_Insured_Damage
                                         int64
                                         int64
         Age squared
         Vehicle_Age_squared
                                         int64
         Annual_Premium_per_Age
                                       float64
         dtype: object
In [ ]:
         df_train.shape
Out[]: (11504798, 18)
In [ ]:
         df_test.shape
Out[]: (7669866, 17)
In [ ]: y = df_train['Response']
         X = df_train.drop(['Response'],axis=1)
```

int64

Model Building | Model Evaluation *Training* Classification

```
In [ ]: train_X, test_X, train_y, test_y = train_test_split(X, y,test_size = 0.2, random_state =41)
```



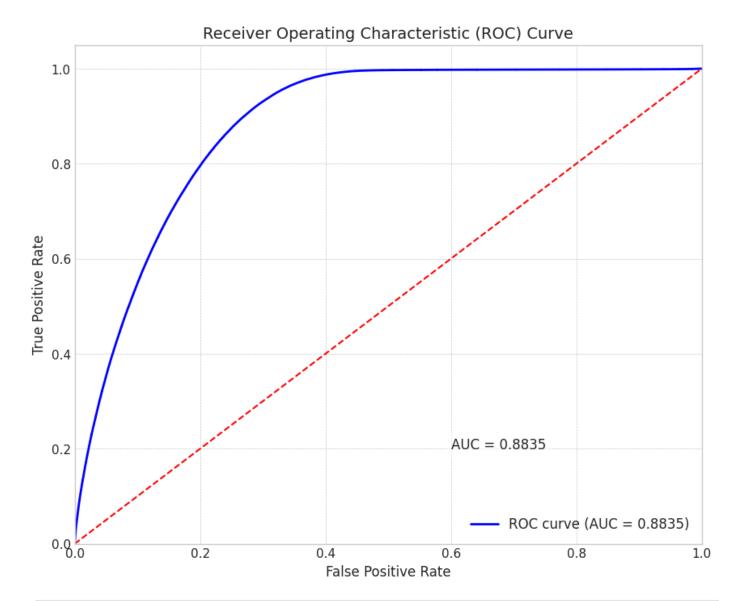
```
In [ ]: xgb_params = {
             'colsample bytree': 0.48,
             'learning_rate': 0.01567,
```

```
'max_depth': 10,
             'min_child_weight': 6,
             'max_bin': 3500,
             'n_estimators': 3000,
             'eval_metric': 'auc'
In [ ]: model=XGBRegressor(**xgb_params)
         XGB=model.fit(train_X,train_y)
         prediction=XGB.predict(test_X)
In [ ]: test_pred = XGB.predict(df_test)
In [ ]: sample_submission
Out[]:
                        id Response
               0 11504798
                                  0.5
               1 11504799
                                  0.5
               2 11504800
                                  0.5
               3 11504801
                                  0.5
               4 11504802
                                  0.5
         7669861 19174659
                                  0.5
         7669862 19174660
                                  0.5
         7669863 19174661
                                  0.5
         7669864 19174662
                                  0.5
         7669865 19174663
                                  0.5
        7669866 rows × 2 columns
In [ ]: sample submission.Response= test pred
In [ ]: 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()



```
In [ ]: sample_submission.to_csv('XGB_submission.csv', index = False)
    pd.read_csv('XGB_submission.csv')
```

Out[]:		id	Response
	0	11504798	-0.010802
	1	11504799	0.472721
	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 × 2 columns

In []: