PROJECT REPORT

CAR INSURANCE CLAIM

Submitted By:

Sherin Joseph

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# INTRODUCTION

* The project deals with the car insurance claim at 4 different postal codes.
* The insurance company tries to find the categories which had more claims.
* The goal of the project is to get insights on the several factors associated with the claim.
* The insights might lead to recommendations which could make the business cost effective and quote the appropriate insurance price for different categories of people in the future.

# DATA SET

Text

Description automatically generated

* The data set has 10000 rows and 19 columns.
* The data type consists of int, float and String.
* There are no duplicate observations in the data set.
* Since the ID column is unique, we are going to make ID column as the index.
* Two columns, ‘Credit\_Score’ and ‘Annual Mileage’ has some missing values in it.

*Question : - Who made more claims: male or female based on their driving experience?*

Code:

Text

Description automatically generated

Plot:

Chart, bar chart

Description automatically generated

* The grouped vertical bar chart clearly reveals that the females with ‘0-9y’ driving experience made more claims than males in same category.
* Both in ’10-19y’ and ’20-29y’ diving experience category, the claims made by male were slightly higher than the females.
* However, both male and female divers with ’30y+’ driving experience had equal number of claims.
* The insight we acquire is that, when the driving experience increase, the claims decrease and becomes irrespective of gender.

# CONCLUSION

To conclude, the project gave the following insights:

* Majority of claims were made by Age group "26-39“.
* People with more driving experience tend to have less claims.
* The upper-class people were subjected to more accidents and had more claims than other group of people.
* Majority of claims were from postal code "10238" and "sedan cars " contributed more claims compared to "sports cars" in all areas.
* Average credit score of senior applicants were higher than youngsters who claimed insurance.
* When the driving experience increases, the claims will be fewer irrespective of the gender.
* Vehicles made before 2015 had more accident history than those made after 2015.
* The approval rate was higher than rejection only in age group "16-25", "poverty" class and in postal code "21217".

# RECOMMENDATION

* The insurance premium in the upcoming year could be reduced for the seniors and those with highest years of driving experience.
* Insurance premium could be reduced for new vehicles as they have lower accidents compared to old vehicles.
* Strategy should be developed to deal with postal code 21217 as despite of the low claims, the approval rate is way ahead of the claim rejection.
* Premium of Upper-class people should be increased as they contributed major share of claim and committed maximum accidents compared to others.