

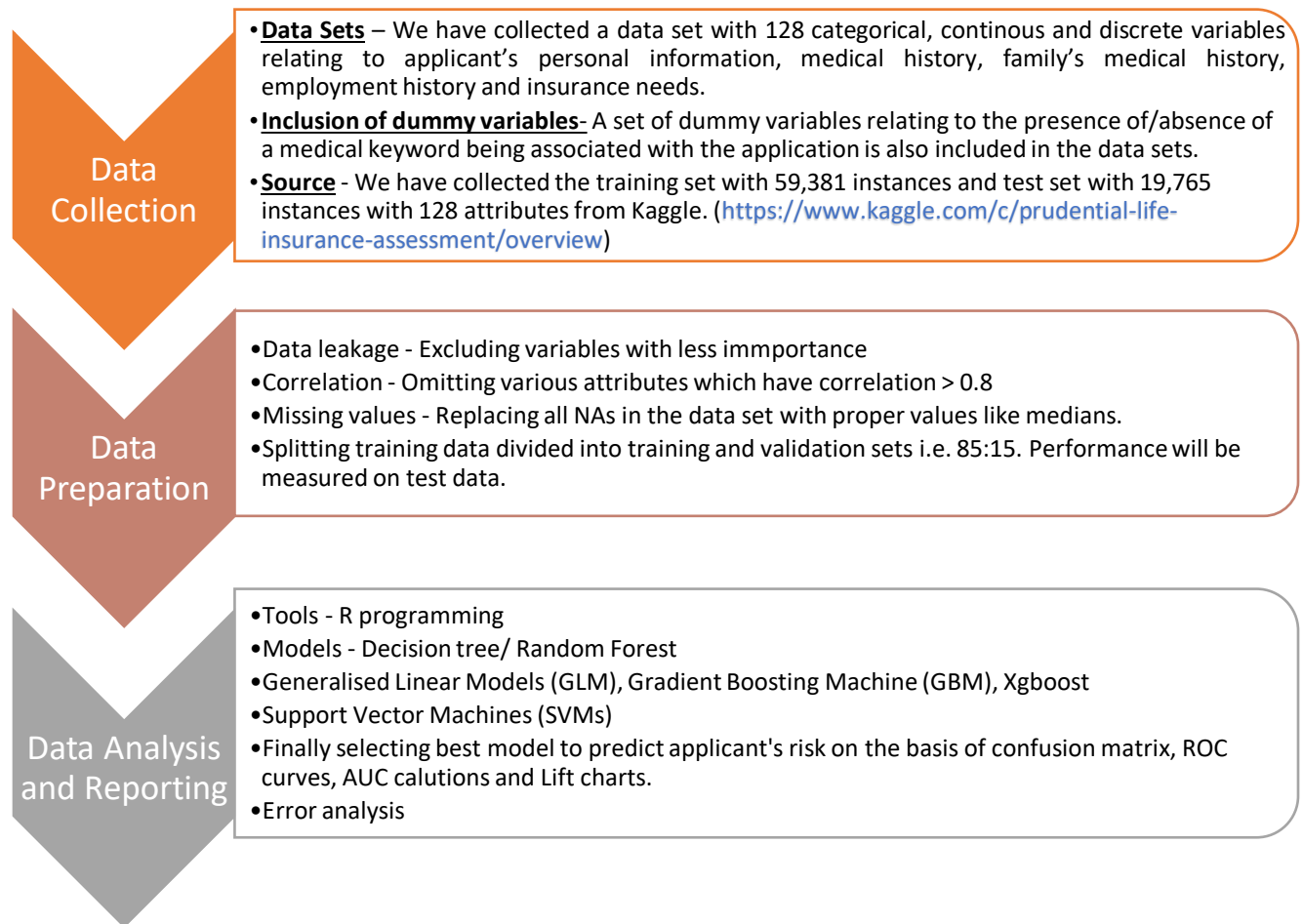
“PROJECT PROPOSAL – PRUDENTIAL LIFE INSURANCE ASSESSMENT”

Problem Statement – In today’s world, people are more conscious towards health and tend to opt for various life/health insurance policies. One such provider is Prudential Life Insurance Policy.

In order to buy insurance, customers provide extensive information to know the eligibility and to identify risk classification to the providers. They also undergo medical exams which can take an average of 30 days. Because of this time-consuming approach, customers tend to lose interest.

Scope- To develop a predictive model to classify high risk and low risk applicants in order to make the process of identifying target customer segment quicker and less labor intensive while maintaining privacy boundaries.

Steps involved in process:



Target variable – “Response” is an ordinal measure of risk that has 8 levels. We will be categorizing our applicants in “High risk applicants” – should be given priority for life insurances with responses >4 and “Low risk applicants” – less priority with responses ≤ 4. Hence, it will be a binary classification problem.

Milestone- Till the next submission, we are planning to focus on data preparation and exploration with building models with decision tree, random forest and GBM methods.

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