In [25]:

```
#Basic imports
import numpy as np
import pandas as pd
import matplotlib.pyplot as plt
import seaborn as sns
#Preprocessing and cleaning
from scipy.stats import skew
from sklearn.preprocessing import StandardScaler
from sklearn.preprocessing import LabelEncoder
#Feature Selection
from sklearn.feature_selection import chi2
from sklearn.feature_selection import f_regression
from sklearn.feature_selection import SelectKBest
#Algorithms
from sklearn.model_selection import train_test_split
from sklearn.linear_model import LogisticRegression
from sklearn.tree import DecisionTreeClassifier
from sklearn.ensemble import RandomForestClassifier
from sklearn.svm import LinearSVC
from sklearn.svm import SVC
from sklearn.ensemble import AdaBoostClassifier
from xgboost import XGBClassifier
#Evaluation
from sklearn.metrics import classification_report
#Warnings
import warnings
warnings.filterwarnings('ignore')
```

In [26]:

```
df = pd.read_csv('data.csv')
```

In [27]:

df.head()

Out[27]:

	ID	Agency	Agency Type	Distribution Channel	Product Name	Claim	Duration	Destination	Net Sales	(
C	3433	CWT	Travel Agency	Online	Rental Vehicle Excess Insurance	0	7	MALAYSIA	0.0	
1	4339	EPX	Travel Agency	Online	Cancellation Plan	0	85	SINGAPORE	69.0	
2	2 34590	CWT	Travel Agency	Online	Rental Vehicle Excess Insurance	0	11	MALAYSIA	19.8	
3	55816	EPX	Travel Agency	Online	2 way Comprehensive Plan	0	16	INDONESIA	20.0	
4	13816	EPX	Travel Agency	Online	Cancellation Plan	0	10	KOREA, REPUBLIC OF	15.0	

In [28]:

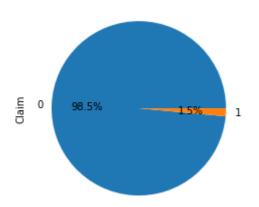
df.shape

Out[28]:

(50553, 12)

In [29]:

```
df["Claim"].value_counts().plot.pie(autopct="%1.1f%%")
plt.show()
```



Preprocessing and Cleaning

```
In [30]:
```

```
#Remove unwanted column
df.drop("ID", axis=1, inplace=True)
```

In [31]:

```
#Check null values
df.isnull().sum()
```

Out[31]:

0 Agency Agency Type 0 Distribution Channel 0 Product Name 0 Claim 0 Duration 0 Destination 0 Net Sales 0 Commission (in value) 0 Gender 35953 Age a

dtype: int64

In [32]:

```
df.info()
```

<class 'pandas.core.frame.DataFrame'>
RangeIndex: 50553 entries, 0 to 50552
Data columns (total 11 columns):

```
#
    Column
                           Non-Null Count Dtype
    -----
                           -----
0
    Agency
                           50553 non-null
                                          object
1
    Agency Type
                           50553 non-null
                                          object
2
    Distribution Channel 50553 non-null
                                          object
3
    Product Name
                           50553 non-null
                                          object
4
    Claim
                           50553 non-null
                                           int64
5
    Duration
                           50553 non-null
                                           int64
6
    Destination
                           50553 non-null
                                          object
7
    Net Sales
                           50553 non-null
                                          float64
8
    Commision (in value)
                          50553 non-null
                                          float64
9
                           14600 non-null
    Gender
                                           object
10
    Age
                           50553 non-null
dtypes: float64(2), int64(3), object(6)
```

In [33]:

memory usage: 4.2+ MB

```
df["Gender"].fillna("unavailable",inplace=True)
```

In [34]:

```
df["Claim"]=df["Claim"].astype(object)
```

In [35]:

```
#Seperating categorical and numerical data
df_cat = df.select_dtypes('object')
df_num = df.select_dtypes(['int64','float64'])
```

In [36]:

```
df_cat.head()
```

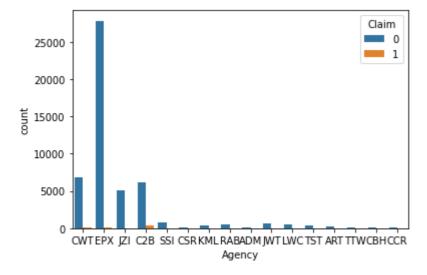
Out[36]:

	Agency	Agency Type	Distribution Channel	Product Name	Claim	Destination	Gender
0	CWT	Travel Agency	Online	Rental Vehicle Excess Insurance	0	MALAYSIA	unavailable
1	EPX	Travel Agency	Online	Cancellation Plan	0	SINGAPORE	unavailable
2	CWT	Travel Agency	Online	Rental Vehicle Excess Insurance	0	MALAYSIA	unavailable
3	EPX	Travel Agency	Online	2 way Comprehensive Plan	0	INDONESIA	unavailable
4	EPX	Travel Agency	Online	Cancellation Plan	0	KOREA, REPUBLIC OF	unavailable

In [37]:

```
for col in df_cat:
    print(col)
    plt.figure()
    sns.countplot(data=df_cat, x=col, hue="Claim")
    plt.show()
```

Agency



Agency Type

In [38]:

```
#Encoding Categorical data
le = LabelEncoder()
for col in df_cat:
    df_cat[col] = le.fit_transform(df_cat[col])
```

In [39]:

```
df_cat.head()
```

Out[39]:

	Agency	Agency Type	Distribution Channel	Product Name	Claim	Destination	Gender
0	6	1	1	16	0	56	2
1	7	1	1	10	0	79	2
2	6	1	1	16	0	56	2
3	7	1	1	1	0	38	2
4	7	1	1	10	0	47	2

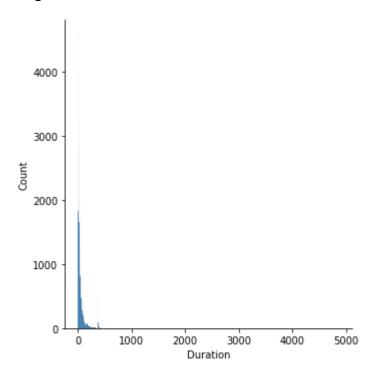
In [40]:

```
for col in df_num:
    print(col)
    print(skew(df_num[col]))
    plt.figure()
    sns.displot(df_num[col])
    plt.show()
```

Duration

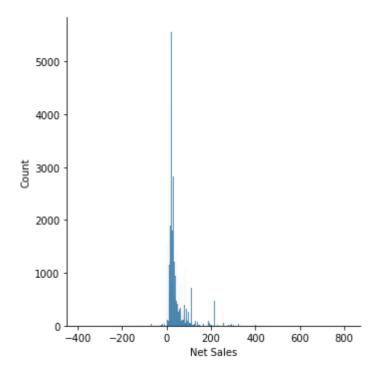
22.872063891229274

<Figure size 432x288 with 0 Axes>



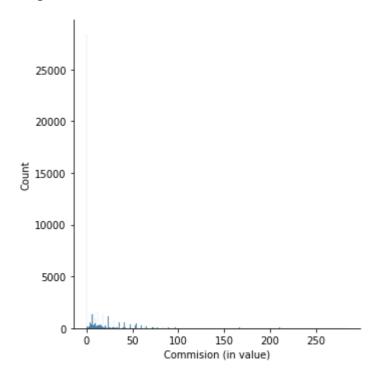
Net Sales 3.3281441910342053

<Figure size 432x288 with 0 Axes>



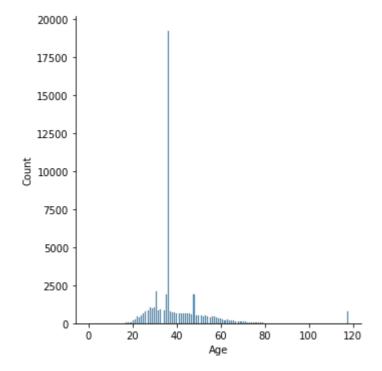
Commision (in value) 4.0780684356634636

<Figure size 432x288 with 0 Axes>



Age 2.9783898494112435

<Figure size 432x288 with 0 Axes>



In [41]:

```
#Merging categorical and numerical data
df_new = pd.concat([df_num, df_cat],axis=1)
```

In [42]:

```
df_new.head()
```

Out[42]:

	Duration	Net Sales	Commision (in value)	Age	Agency	Agency Type	Distribution Channel	Product Name	Claim	Destinatio
0	7	0.0	17.82	31	6	1	1	16	0	5
1	85	69.0	0.00	36	7	1	1	10	0	7
2	11	19.8	11.88	75	6	1	1	16	0	5
3	16	20.0	0.00	32	7	1	1	1	0	3
4	10	15.0	0.00	29	7	1	1	10	0	4
4										•

In [43]:

```
def create_model(model, X_train, X_test):
    model.fit(X_train, y_train)
    y_pred = model.predict(X_test)
    print(classification_report(y_test, y_pred))
    return model
```

In [44]:

```
#Preparing for training
X = df_new.drop("Claim", axis=1)
y = df_new["Claim"]
```

In [45]:

```
X_train, X_test, y_train, y_test = train_test_split(X,y,test_size=0.3, random_state =1)
```

Baseline Model

In [46]:

```
lr = LogisticRegression()
```

In [47]:

```
create_model(lr,X_train,X_test)
```

	precision	recall	f1-score	support
0	0.99	1.00	0.99	14961
1	0.00	0.00	0.00	205
accuracy			0.99	15166
macro avg	0.49	0.50	0.50	15166
weighted avg	0.97	0.99	0.98	15166

Out[47]:

Under sampling

In [48]:

from imblearn.under_sampling import RandomUnderSampler

In [49]:

```
rus = RandomUnderSampler(random_state=1)
```

In [50]:

```
X_sample1, y_sample1 = rus.fit_sample(X_train,y_train)
```

In [51]:

```
pd.Series(y_sample1).value_counts()
```

Out[51]:

1 536 0 536 dtype: int64

```
In [52]:
```

```
lr2 = LogisticRegression()
lr2.fit(X_sample1, y_sample1)
```

Out[52]:

In [53]:

```
y_pred2 = lr2.predict(X_test)
```

In [54]:

```
print(classification_report(y_test,y_pred2))
```

	precision	recall	f1-score	support
0	0.99	0.83	0.90	14961
1	0.05	0.62	0.09	205
accuracy			0.83	15166
macro avg	0.52	0.72	0.50	15166
weighted avg	0.98	0.83	0.89	15166

Decision Tree Under sampling

```
In [55]:
```

```
dt1 = DecisionTreeClassifier()
```

In [56]:

```
dt1.fit(X_sample1,y_sample1)
```

Out[56]:

```
DecisionTreeClassifier(ccp_alpha=0.0, class_weight=None, criterion='gini', max_depth=None, max_features=None, max_leaf_nodes=None,

e,

min_impurity_decrease=0.0, min_impurity_split=None,
 min_samples_leaf=1, min_samples_split=2,
 min_weight_fraction_leaf=0.0, presort='deprecated',
 random state=None, splitter='best')
```

In [57]:

```
y_pred = dt1.predict(X_test)
```

In [58]:

```
print(classification_report(y_test, y_pred))
```

	precision	recall	f1-score	support
0	0.99	0.67	0.80	14961
1	0.03	0.67	0.05	205
accuracy			0.67	15166
macro avg	0.51	0.67	0.43	15166
weighted avg	0.98	0.67	0.79	15166

Decision Tree with max_depth=8

In [59]:

```
dt2 = DecisionTreeClassifier(max_depth=8)
```

In [60]:

```
dt2.fit(X_sample1,y_sample1)
```

Out[60]:

```
DecisionTreeClassifier(ccp_alpha=0.0, class_weight=None, criterion='gini', max_depth=8, max_features=None, max_leaf_nodes=None, min_impurity_decrease=0.0, min_impurity_split=None, min_samples_leaf=1, min_samples_split=2, min_weight_fraction_leaf=0.0, presort='deprecated', random_state=None, splitter='best')
```

In [61]:

```
y_pred_1 = dt2.predict(X_test)
```

In [62]:

```
print(classification_report(y_test, y_pred_1))
```

	precision	recall	f1-score	support
0	0.99	0.72	0.84	14961
1	0.03	0.71	0.07	205
accuracy			0.72	15166
macro avg	0.51	0.72	0.45	15166
weighted avg	0.98	0.72	0.83	15166

Random Forest Classifier with max_depth=8

In [63]:

```
rf = RandomForestClassifier(max_depth=8)
```

```
In [64]:
```

```
rf.fit(X_sample1,y_sample1)
```

Out[64]:

```
RandomForestClassifier(bootstrap=True, ccp_alpha=0.0, class_weight=None, criterion='gini', max_depth=8, max_features='auto', max_leaf_nodes=None, max_samples=None, min_impurity_decrease=0.0, min_impurity_split=None, min_samples_leaf=1, min_samples_split=2, min_weight_fraction_leaf=0.0, n_estimators=100, n_jobs=None, oob_score=False, random_state=None, verbose=0, warm start=False)
```

In [65]:

```
y_pred_rf = rf.predict(X_test)
```

In [66]:

```
print(classification_report(y_test, y_pred_rf))
```

	precision	recall	f1-score	support
0	0.99	0.77	0.87	14961
1	0.04	0.69	0.07	205
accuracy			0.77	15166
macro avg	0.52	0.73	0.47	15166
weighted avg	0.98	0.77	0.86	15166

Random Forest Classifier with max_features=7

```
In [67]:
```

```
rf_f = RandomForestClassifier(max_features=7, random_state=1)
```

In [68]:

```
rf_f.fit(X_sample1,y_sample1)
```

Out[68]:

In [69]:

```
y_pred_rf_f = rf_f.predict(X_test)
```

In [70]:

```
print(classification_report(y_test, y_pred_rf_f))
```

	precision	recall	f1-score	support
0	0.99	0.72	0.84	14961
_				_
1	0.03	0.73	0.07	205
accuracy			0.72	15166
macro avg	0.51	0.72	0.45	15166
weighted avg	0.98	0.72	0.83	15166

VotingClassifier

In [71]:

```
from sklearn.ensemble import VotingClassifier
```

In [72]:

```
lr_v = LogisticRegression()
dt_v = DecisionTreeClassifier()
dt_v = DecisionTreeClassifier(criterion="entropy")
```

In [73]:

```
model_list = [("Logistic", lr_v), ("Decision",dt_v), ("Decision_entropy", dt_v)]
```

In [74]:

```
vc = VotingClassifier(estimators=model_list)
```

In [75]:

```
vc.fit(X_sample1,y_sample1)
Out[75]:
```

```
VotingClassifier(estimators=[('Logistic',
                               LogisticRegression(C=1.0, class_weight=None,
                                                  dual=False, fit_intercept=T
rue,
                                                   intercept_scaling=1,
                                                  l1_ratio=None, max_iter=10
0,
                                                  multi_class='auto',
                                                  n_jobs=None, penalty='12',
                                                  random_state=None,
                                                   solver='lbfgs', tol=0.0001,
                                                  verbose=0, warm_start=Fals
e)),
                              ('Decision',
                               DecisionTreeClassifier(ccp_alpha=0.0,
                                                       class_weight=None,
                                                       crite...
                               DecisionTreeClassifier(ccp_alpha=0.0,
                                                       class_weight=None,
                                                       criterion='entropy',
                                                       max_depth=None,
                                                       max features=None,
                                                       max_leaf_nodes=None,
                                                       min_impurity_decrease=
0.0,
                                                       min_impurity_split=Non
e,
                                                       min samples leaf=1,
                                                       min_samples_split=2,
                                                       min_weight_fraction_lea
f=0.0,
                                                       presort='deprecated',
                                                       random_state=None,
                                                       splitter='best'))],
                 flatten transform=True, n jobs=None, voting='hard',
                 weights=None)
```

In [76]:

```
y_pred_v = vc.predict(X_test)
```

In [77]:

```
print(classification_report(y_test, y_pred_v))
```

	precision	recall	f1-score	support
0	0.99	0.68	0.81	14961
1	0.03	0.67	0.05	205
accuracy			0.68	15166
macro avg	0.51	0.68	0.43	15166
weighted avg	0.98	0.68	0.80	15166

ADA Boosting

In [78]:

```
ada = AdaBoostClassifier(n_estimators=100)
```

In [79]:

```
ada.fit(X_sample1,y_sample1)
```

Out[79]:

AdaBoostClassifier(algorithm='SAMME.R', base_estimator=None, learning_rate= 1.0,

n_estimators=100, random_state=None)

In [80]:

```
y_pred_ada = ada.predict(X_test)
```

In [81]:

print(classification_report(y_test, y_pred_ada))

	precision	recall	f1-score	support
0	0.99	0.75	0.86	14961
1	0.04	0.68	0.07	205
accuracy			0.75	15166
macro avg	0.52	0.72	0.46	15166
weighted avg	0.98	0.75	0.85	15166

SVM

In [82]:

```
lsv = LinearSVC(random_state=1)
```

```
In [83]:
```

```
lsv.fit(X_sample1,y_sample1)
```

Out[83]:

In [84]:

```
y_pred_lsv = lsv.predict(X_test)
```

In [85]:

```
print(classification_report(y_test, y_pred_lsv))
```

	precision	recall	f1-score	support
0	0.99	0.98	0.98	14961
1	0.11	0.20	0.14	205
accuracy			0.97	15166
macro avg	0.55	0.59	0.56	15166
weighted avg	0.98	0.97	0.97	15166

Kernel functions

In [86]:

```
svc1 = SVC(random_state=1,kernel="rbf")
```

In [87]:

```
svc1.fit(X_sample1,y_sample1)
```

Out[87]:

```
SVC(C=1.0, break_ties=False, cache_size=200, class_weight=None, coef0=0.0,
    decision_function_shape='ovr', degree=3, gamma='scale', kernel='rbf',
    max_iter=-1, probability=False, random_state=1, shrinking=True, tol=0.00
1,
    verbose=False)
```

In [88]:

```
y_pred_svc1 = svc1.predict(X_test)
```

```
In [89]:
```

```
print(classification_report(y_test, y_pred_svc1))
              precision
                            recall f1-score
                                                support
           0
                    0.99
                              0.79
                                         0.88
                                                   14961
           1
                    0.04
                              0.57
                                         0.07
                                                     205
                                         0.79
                                                   15166
    accuracy
                                         0.48
                    0.51
                              0.68
                                                   15166
   macro avg
weighted avg
                    0.98
                              0.79
                                         0.87
                                                   15166
```

Over sampling

```
In [90]:
```

```
from imblearn.over_sampling import RandomOverSampler
```

```
In [91]:
```

```
ros = RandomOverSampler(random_state=1)
```

```
In [92]:
```

```
X_sample2, y_sample2 = ros.fit_sample(X_train,y_train)
```

```
In [93]:
```

```
pd.Series(y_sample2).value_counts()
```

Out[93]:

1 34851 0 34851 dtype: int64

In [94]:

```
lr3 = LogisticRegression()
lr3.fit(X_sample2, y_sample2)
```

Out[94]:

In [95]:

```
y_pred3= 1r3.predict(X_test)
```

In [96]:

	precision	recall	f1-score	support
0 1	0.99 0.05	0.83 0.62	0.91 0.09	14961 205
accuracy macro avg	0.52	0.73	0.83 0.50	15166 15166
weighted avg	0.98	0.83	0.90	15166

Decision Tree with RandomOverSampler

In [97]:

```
dt3 = DecisionTreeClassifier()
```

In [98]:

```
dt3.fit(X_sample2, y_sample2)
```

Out[98]:

In [99]:

```
y_pred_dt = dt3.predict(X_test)
```

In [100]:

```
print(classification_report(y_test,y_pred_dt))
```

	precision	recall	f1-score	support
0	0.99	0.99	0.99	14961
1	0.06	0.06	0.06	205
accuracy			0.97	15166
macro avg	0.52	0.52	0.52	15166
weighted avg	0.97	0.97	0.97	15166

In [101]:

```
dt4 = DecisionTreeClassifier(max_depth=8)
```

```
In [102]:
```

```
dt4.fit(X_sample2, y_sample2)
```

Out[102]:

```
DecisionTreeClassifier(ccp_alpha=0.0, class_weight=None, criterion='gini', max_depth=8, max_features=None, max_leaf_nodes=None, min_impurity_decrease=0.0, min_impurity_split=None, min_samples_leaf=1, min_samples_split=2, min_weight_fraction_leaf=0.0, presort='deprecated', random_state=None, splitter='best')
```

In [103]:

```
y_pred_dt4 = dt4.predict(X_test)
```

In [104]:

```
print(classification_report(y_test,y_pred_dt4))
```

	precision	recall	f1-score	support
0	0.99	0.77	0.87	14961
1	0.04	0.63	0.07	205
accuracy			0.77	15166
macro avg	0.51	0.70	0.47	15166
weighted avg	0.98	0.77	0.86	15166

Random Forest Classifier with max_depth=6

```
In [105]:
```

```
rf_ov = RandomForestClassifier(max_depth=6)
```

In [106]:

```
rf_ov.fit(X_sample2, y_sample2)
```

Out[106]:

```
RandomForestClassifier(bootstrap=True, ccp_alpha=0.0, class_weight=None, criterion='gini', max_depth=6, max_features='auto', max_leaf_nodes=None, max_samples=None, min_impurity_decrease=0.0, min_impurity_split=None, min_samples_leaf=1, min_samples_split=2, min_weight_fraction_leaf=0.0, n_estimators=100, n_jobs=None, oob_score=False, random_state=None, verbose=0, warm_start=False)
```

In [107]:

```
y_pred_rf_ov = rf_ov.predict(X_test)
```

In [108]:

```
print(classification_report(y_test, y_pred_rf_ov))
```

	precision	recall	f1-score	support
0	0.99	0.84	0.91	14961
1	0.05	0.63	0.09	205
accuracy			0.84	15166
macro avg	0.52	0.74	0.50	15166
weighted avg	0.98	0.84	0.90	15166

Random Forest Classifier with max features=7

In [109]:

```
rf_f_ov = RandomForestClassifier(max_features=7, random_state=1)
```

In [110]:

```
rf_f_ov.fit(X_sample2, y_sample2)
```

Out[110]:

In [111]:

```
y_pred_rf_f_ov = rf_f_ov.predict(X_test)
```

In [112]:

```
print(classification_report(y_test, y_pred_rf_f_ov))
```

	precision	recall	f1-score	support
0	0.99	0.99	0.99	14961
1	0.07	0.04	0.06	205
accuracy			0.98	15166
macro avg	0.53	0.52	0.52	15166
weighted avg	0.97	0.98	0.98	15166

VotingClassifier

```
In [113]:
```

```
from sklearn.ensemble import VotingClassifier
In [114]:
lr v1 = LogisticRegression()
dt_v1 = DecisionTreeClassifier()
dt_v1 = DecisionTreeClassifier(criterion="entropy")
In [115]:
model_list1 = [("Logistic", lr_v1), ("Decision", dt_v1), ("Decision_entropy", dt_v1)]
In [116]:
vc_ov = VotingClassifier(estimators=model_list1)
In [117]:
vc_ov.fit(X_sample2, y_sample2)
Out[117]:
VotingClassifier(estimators=[('Logistic',
                               LogisticRegression(C=1.0, class_weight=None,
                                                  dual=False, fit_intercept=T
rue,
                                                  intercept scaling=1,
                                                  l1_ratio=None, max_iter=10
0,
                                                  multi_class='auto',
                                                  n_jobs=None, penalty='12',
                                                  random_state=None,
                                                  solver='lbfgs', tol=0.0001,
                                                  verbose=0, warm_start=Fals
e)),
                              ('Decision',
                               DecisionTreeClassifier(ccp_alpha=0.0,
                                                       class weight=None,
                                                       crite...
                               DecisionTreeClassifier(ccp_alpha=0.0,
                                                       class weight=None,
                                                       criterion='entropy',
                                                       max depth=None,
                                                      max features=None,
                                                       max leaf nodes=None,
                                                      min_impurity_decrease=
0.0,
                                                      min_impurity_split=Non
e,
                                                      min samples leaf=1,
                                                       min_samples_split=2,
                                                       min weight fraction lea
f=0.0,
                                                       presort='deprecated',
                                                       random_state=None,
                                                       splitter='best'))],
                 flatten_transform=True, n_jobs=None, voting='hard',
                 weights=None)
```

```
In [118]:
```

```
y_pred_v_ov = vc_ov.predict(X_test)
```

In [119]:

```
print(classification_report(y_test, y_pred_v_ov))
```

	precision	recall	f1-score	support
0	0.99	0.98	0.99	14961
1	0.05	0.06	0.05	205
accuracy			0.97	15166
macro avg	0.52	0.52	0.52	15166
weighted avg	0.97	0.97	0.97	15166

ADA Boosting

In [120]:

```
ada_ov = AdaBoostClassifier(n_estimators=100)
```

In [121]:

```
ada_ov.fit(X_sample2, y_sample2)
```

Out[121]:

AdaBoostClassifier(algorithm='SAMME.R', base_estimator=None, learning_rate= 1.0,

n_estimators=100, random_state=None)

In [122]:

```
y_pred_ada_ov = ada_ov.predict(X_test)
```

In [123]:

```
print(classification_report(y_test, y_pred_ada_ov))
```

	precision	recall	f1-score	support
0	0.99	0.79	0.88	14961
1	0.04	0.64	0.08	205
accuracy			0.79	15166
macro avg	0.52	0.72	0.48	15166
weighted avg	0.98	0.79	0.87	15166

SVM

In [124]:

```
lsv_ov = LinearSVC(random_state=1)
```

In [125]:

```
lsv_ov.fit(X_sample2,y_sample2)
```

Out[125]:

In [126]:

```
y_pred_lsv_ov = lsv_ov.predict(X_test)
```

In [127]:

```
print(classification_report(y_test, y_pred_lsv_ov))
```

	precision	recall	f1-score	support
0	0.99	0.81	0.89	14961
1	0.03	0.38	0.05	205
accuracy			0.80	15166
macro avg	0.51	0.59	0.47	15166
weighted avg	0.98	0.80	0.88	15166

Conclusion: As recall was more important than precision in this case, so after trying with models I got the best results of recall which is 0.73 with Random Forest Classifier with max_features=7 (rf_f) model after applying UNDERSAMPLER on data.

In []: