

# Customer Churn prediction

Predicting whether a customer will churn or not

Author: Ivy Atieng



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# Project Overview

SyriaTel, a telecommunications company faces major issues in retaining its customers. SyriaTel Company has a high churn rate of 14.49%. This churn rate has reduced its revenue and also has made the company face very high competition from other Telecommunication companies. Due to this impact the company has hired me to analyse their past data and come up with business insights and new strategies of reducing the customer churn rate. The aim of this project is to analyze past data of SyriaTel telecommunication company and come up with machine learning algorithms to predict whether a customer will churn or not

# Business Problem



This project is about analyzing Syria Tel historical data and building models that will predict whether a customer is likely to churn or not and what features contribute to customer churning away from the SyriaTel company.

Main problems addressed by this project are:

- Revenue loss by SyriaTel
- Customer Dissatisfaction

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Revenue loss by Syria Tel



Customer Dissatisfaction

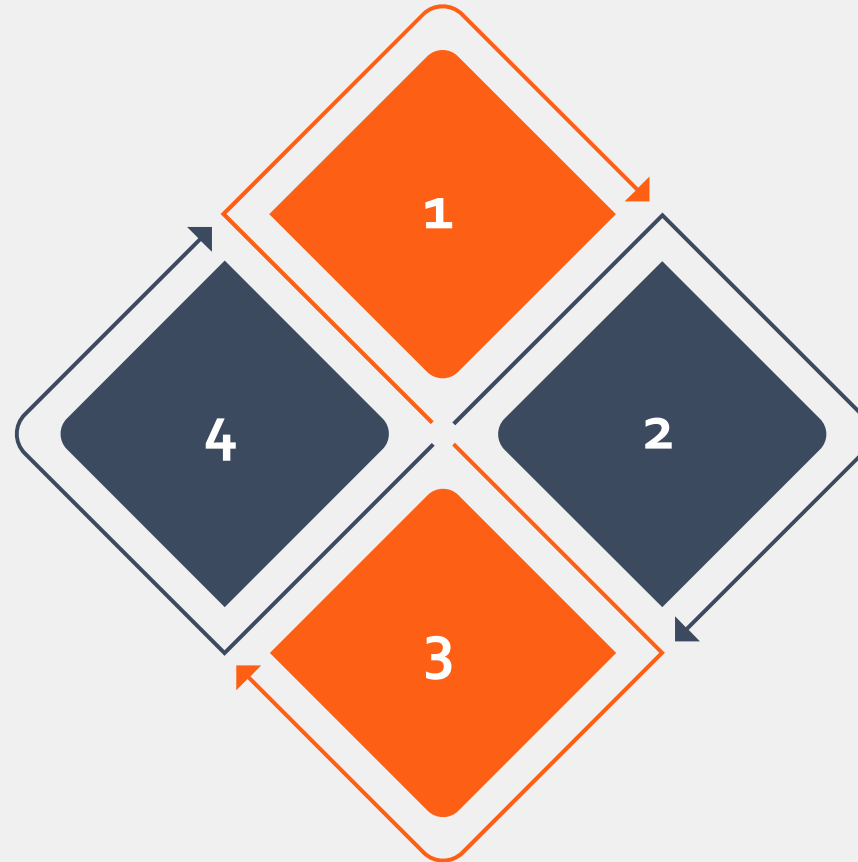
# Data

## Source

The dataset is from kaggle

## Dataset Description

The dataset has 21 columns and 3333 rows.



## Features

- **Target Variable:** Churn
- **Predictors variables:** eg, International Plan, Voice mail Plan, The minutes, Charges

## Visualization Used

- Boxplots
- Histograms
- Heatmap
- Countplot.

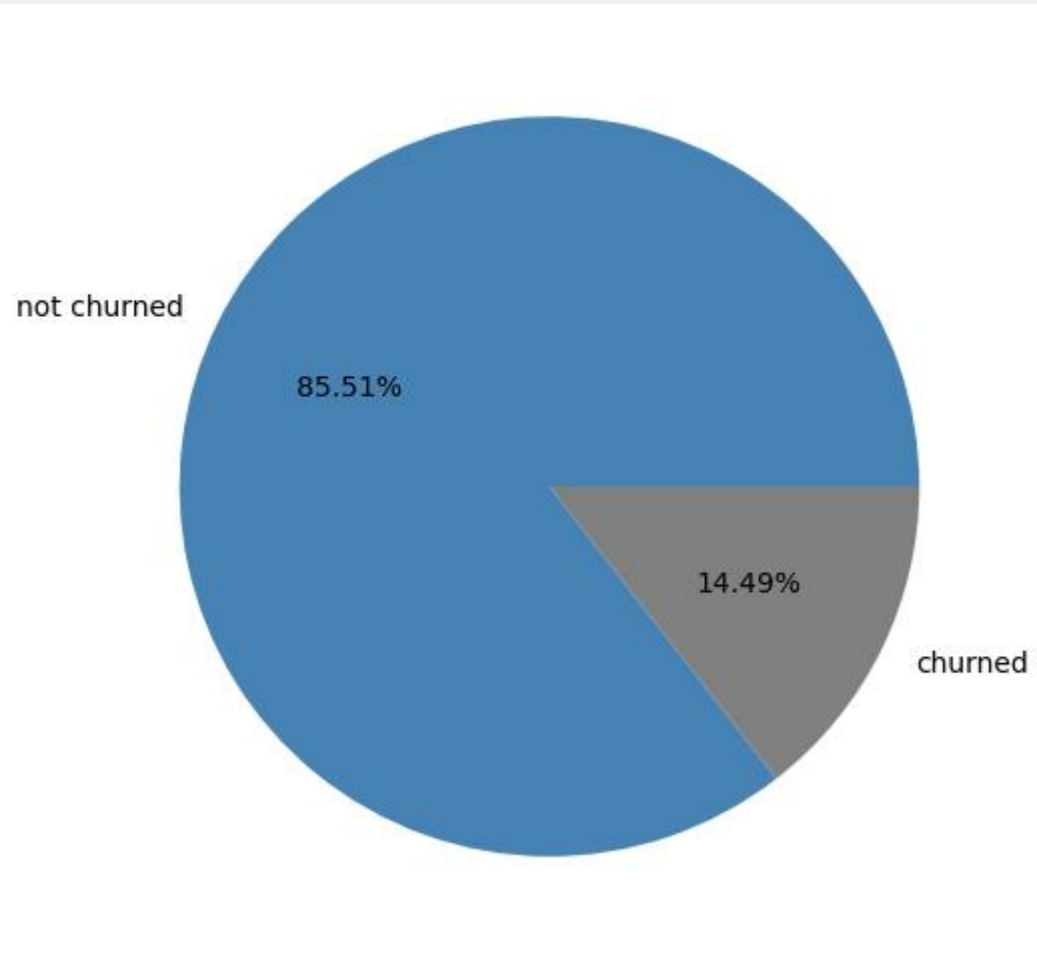


# FINDINGS

from my analysis



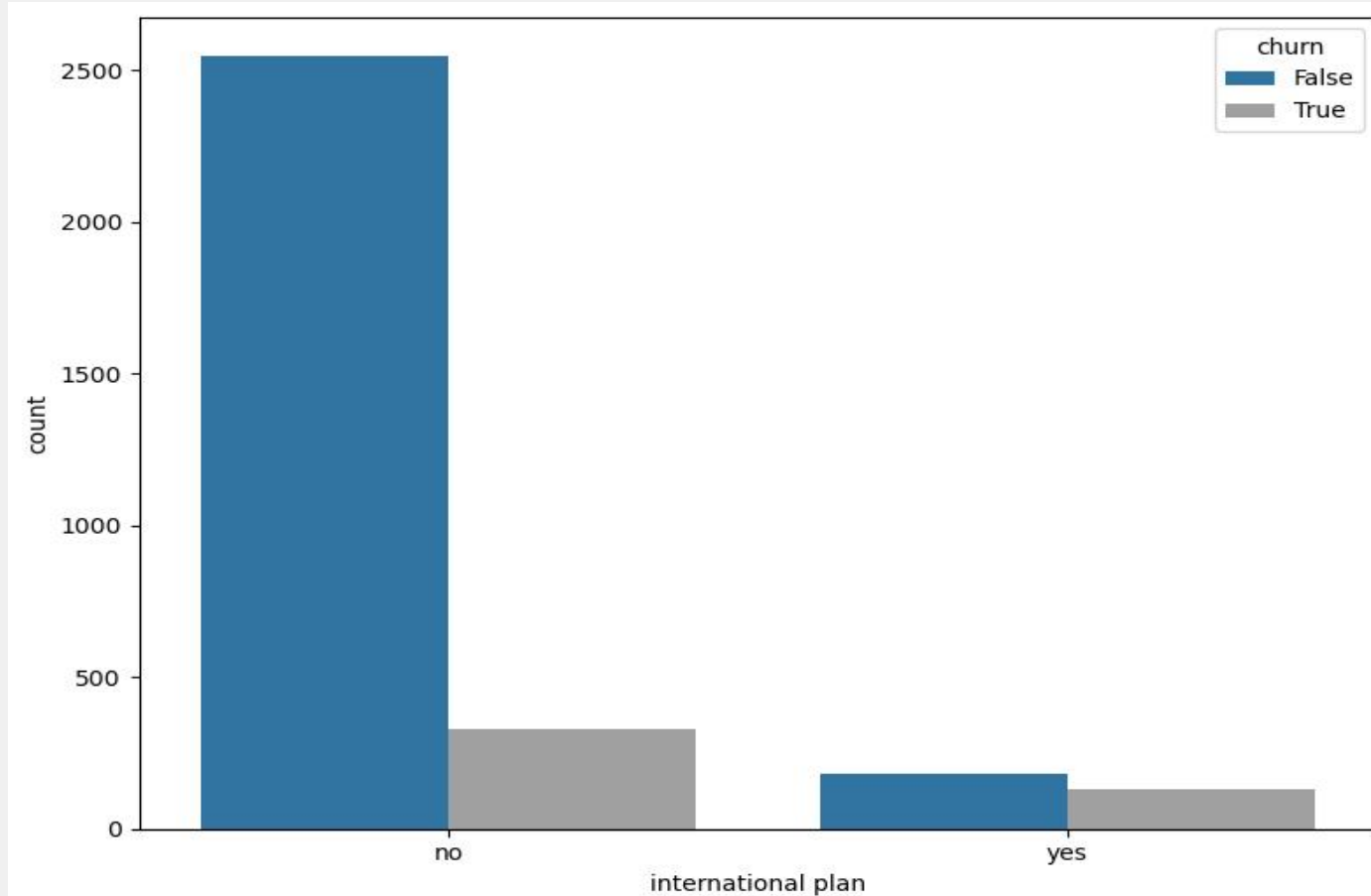
# Churn Rate



Telecom has 14.49% churn rate

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# International Plan

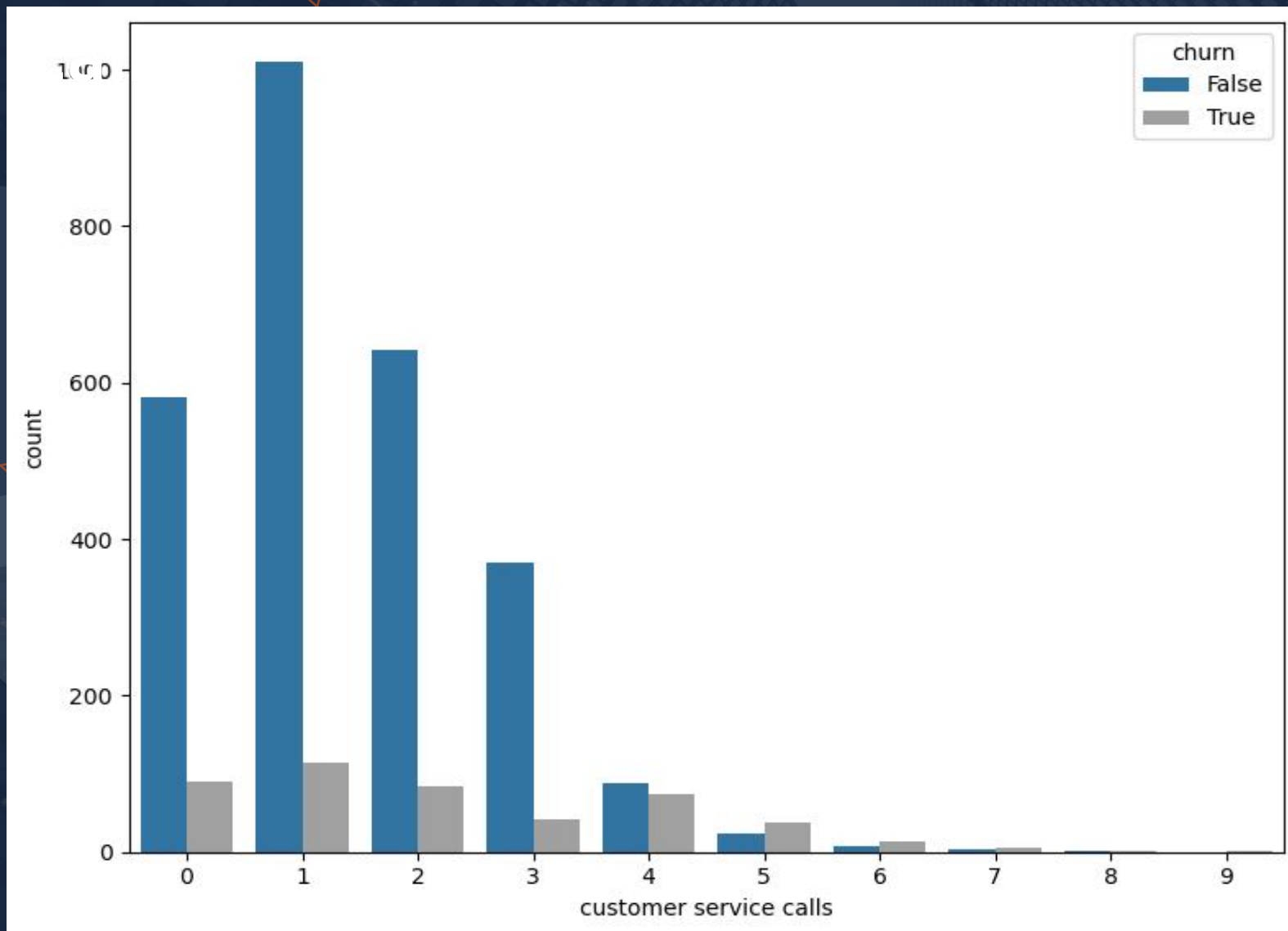


Customers with no international plan churn more than customers with an international plan even though it seems some customers with an international plan still churn away from the company





# Customer Service

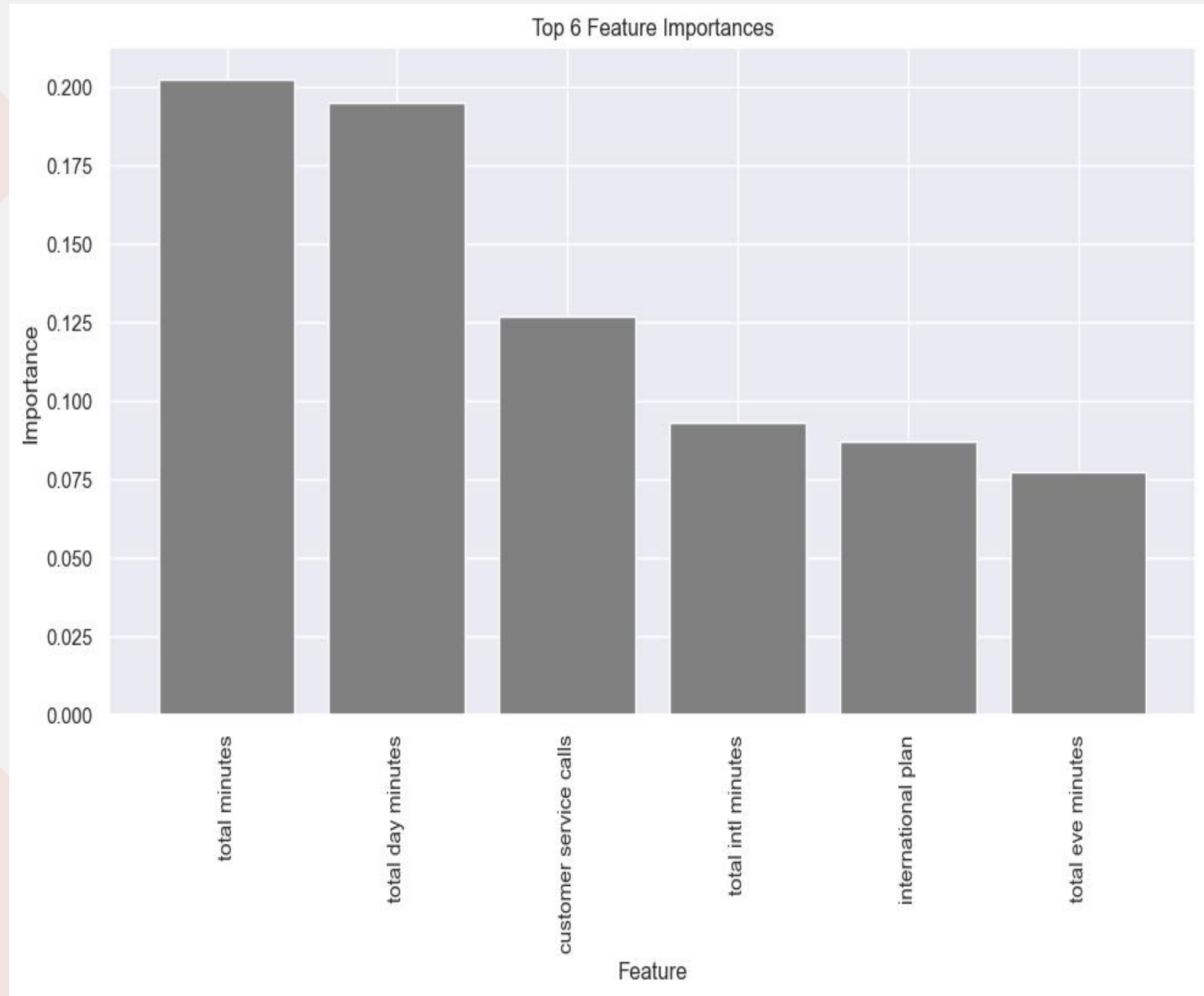


Most customers who make 0,1,2 to the Syria Tel Telecommunication churn most

# Findings

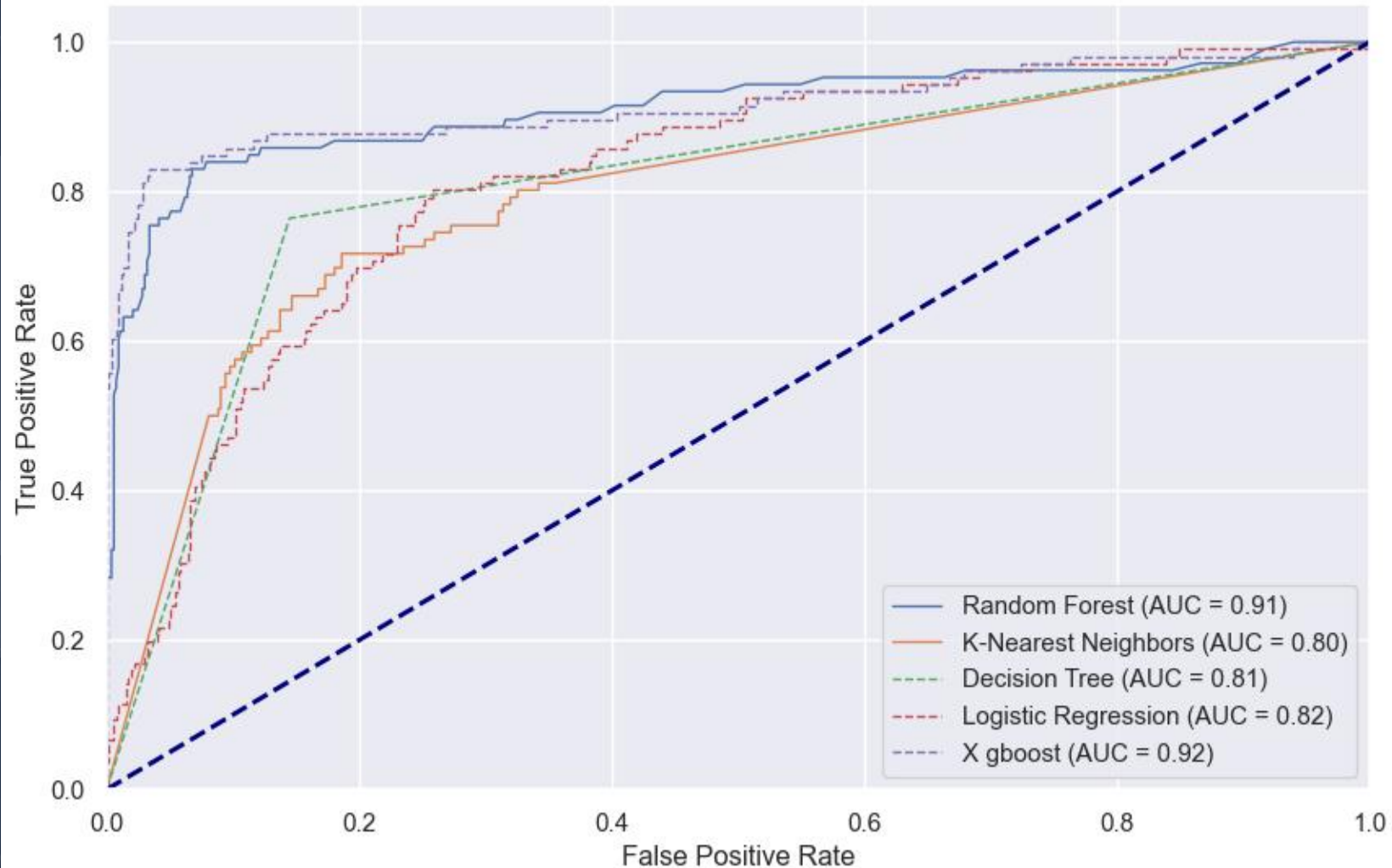
## Powerful Predicting features

The most important features identified by the model are `customer service calls`, `total minutes`, `total day minutes`, `total intl calls`, `total intl minutes`, and `total eve minutes`, `international plan`. These features play a crucial role in predicting whether a customer will churn or not.



## The Best model is the Xgboost Model

AUC-ROC Curves for Various Classifiers



My Xgboost model has predicted 19.74% customer churn rate. Putting in place my best performing features: 'customer service calls', 'total minutes', 'total day minutes', 'total intl calls', 'total intl minutes', and 'total eve minutes', 'international plan'. These features play a crucial role in predicting whether a customer will churn or not.

# Conclusion



**01**

**Model Performance:** The XGBoost model achieved a high accuracy of approximately 94%, indicating that it performs well in predicting customer churn.



**02**

**Important Features:** The most important features identified by the model are `customer service calls`, `total minutes`, `total day minutes`, `total intl calls`, `total intl minutes`, and `total eve minutes`. These features play a crucial role in predicting whether a customer will churn or not.





# Recommendations

01

**Focus on Customer Service:** The number of customer service calls appears to be a significant predictor of churn. It's essential to pay attention to customer complaints and issues promptly to address their concerns and improve satisfaction

02

**Analyze Usage Patterns:** Total usage minutes during different times of the day ('total day minutes', 'total eve minutes', 'total intl minutes') and the number of international calls ('total intl calls') can provide insights into customers' usage patterns

03

**Proactive Communication:** Implement proactive communication strategies to engage with customers before they consider churning

04

**Continuous Monitoring:** Continuously monitor customer behavior and feedback to identify emerging trends and adjust retention strategies accordingly



# Next Steps



Monitor strategies, track churn, satisfaction, usage. Adjust based on insights, feedback, performance evaluation regularly.



Explore additional data sources or collect more data to enhance the predictive capabilities of the model



Gather customer feedback regularly to improve services, create new offerings, and strengthen relationships



Create a lasting plan for keeping customers by building strong relationships, encouraging loyalty, and providing great experiences



# THANK You

Author: Ivy Atieng

Contact: [atiengivylisa@gmail.com](mailto:atiengivylisa@gmail.com)

