SYRIATEL CUSTOMER CHURN PREDICTION

A Data-Driven Strategy for Customer Retention
Presented By: Catherine Gachiri
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EXECUTIVE SUMMARY

The Business Challenge

- Customer churn directly impacts SyriaTel's revenue
- Current approach: Reactive - we respond after customers leave
- Proposed solution: Proactive - identify at-risk customers before they churn
- Goal: Target retention efforts efficiently to save high-value customers

DATA ANALYSIS FOUNDATION

Data Sources Analyzed:

- 3,333 customer accounts with complete history
- Call patterns across different times of day
- Service plan details and account information
- Customer service interaction history

Key Insight:
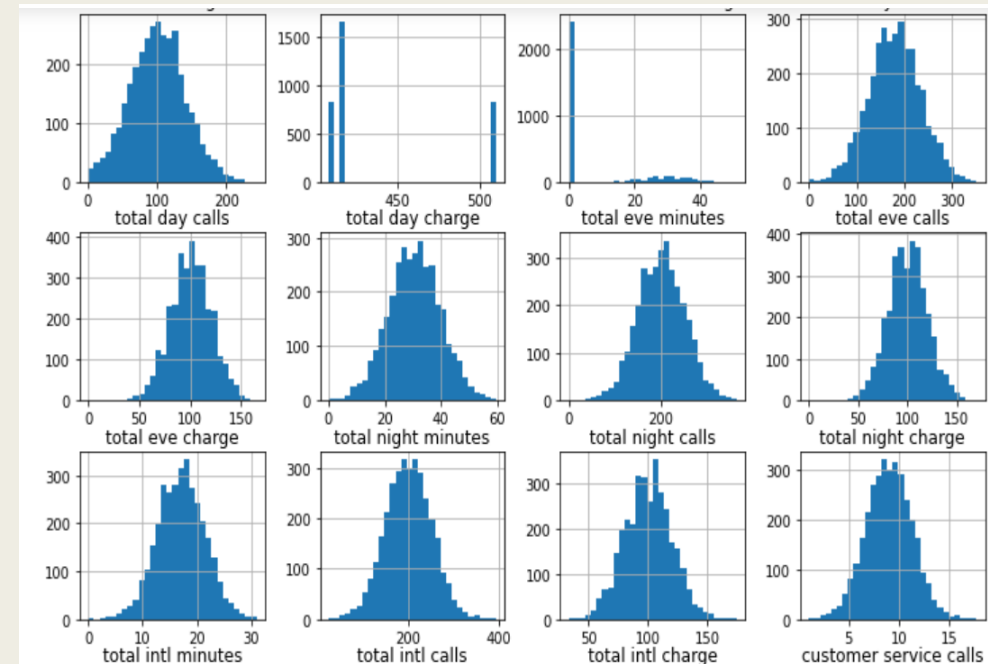Patterns in customer behavior can predict future churn decisions

	state	account length	area code	phone number	international plan	voice mail plan	number vmail messages	total day minutes	total day calls	total day charge	...
0	KS	128	415	382-4657	no	yes	25	265.1	110	45.07	...
1	OH	107	415	371-7191	no	yes	26	161.6	123	27.47	...
2	NJ	137	415	358-1921	no	no	0	243.4	114	41.38	...
3	OH	84	408	375-9999	yes	no	0	299.4	71	50.90	...
4	OK	75	415	330-6626	yes	no	0	166.7	113	28.34	...

5 rows × 21 columns

KEY RISK INDICATORS IDENTIFIED

What Predicts Customer Churn?

• International plan subscribers = 3x higher churn risk

• 4+ customer service calls = Strong churn indicator

• Specific call usage patterns = Early warning signs

• Account tenure characteristics = Retention opportunities

THE PREDICTION SYSTEM

How the Churn Prediction Works

- **Simple 3-Step Process:**

- **Analyze** - Review customer behavior patterns

- **Score** - Assign risk level (Low/Medium/High)

- **Prioritize** - Flag customers needing immediate attention

- **Business Benefit:**
  Enables targeted retention instead of blanket approaches

MODEL PERFORMANCE

Proven Accuracy & Reliability

- **Performance Results:**
  - 80% Accuracy - Identifies 4 out of 5 future churners
  - Low False Alarms - Minimal wasted effort on happy customers
  - Reliable Ranking - Correctly prioritizes by risk level

- **Translation for Business:**
  Your team can act on these predictions with confidence

ACTION PLAN & RECOMMENDATIONS

Immediate Implementation Strategy

- **Priority 1: High-Risk Customer Outreach**
  - Target top 20% highest-risk customers first
  - Personalized retention offers based on usage patterns
  - Dedicated service follow-up for frequent callers

- **Priority 2: Resource Optimization**
  - Reallocate 30% of acquisition budget to retention
  - Train service team on at-risk customer handling
  - Develop tiered response system

EXPECTED BUSINESS IMPACT

Transforming Customer Retention

- **Short-Term Benefits (3-6 months):**
  - 15-25% reduction in customer churn
  - Improved marketing campaign ROI
  - Better resource allocation for retention team

- **Long-Term Advantages:**
  - Increased customer lifetime value
  - Stronger competitive positioning
  - Data-driven culture for customer decisions

- **Next Steps:**
  - Approve 3-month pilot program
  - Begin dashboard development
  - Schedule team training sessions

Thank You

Safeguarding your Customer Base

I have developed a powerful, data-driven tool to proactively protect your revenue and strengthen customer loyalty.

Questions? Contact me:

Catherine Gachiri

gachiric@gmail.com