

Imarticus Learning

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Customer Churn Prediction

Prepared By:

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In []:

```
!pip install pandas
```

Looking in indexes: <https://pypi.org/simple>, (<https://pypi.org/simple>,) <https://us-python.pkg.dev/colab-wheels/public/simple/> (<https://us-python.pkg.dev/colab-wheels/public/simple/>)
Requirement already satisfied: pandas in /usr/local/lib/python3.10/dist-packages (1.5.3)
Requirement already satisfied: python-dateutil>=2.8.1 in /usr/local/lib/python3.10/dist-packages (from pandas) (2.8.2)
Requirement already satisfied: pytz>=2020.1 in /usr/local/lib/python3.10/dist-packages (from pandas) (2022.7.1)
Requirement already satisfied: numpy>=1.21.0 in /usr/local/lib/python3.10/dist-packages (from pandas) (1.22.4)
Requirement already satisfied: six>=1.5 in /usr/local/lib/python3.10/dist-packages (from python-dateutil>=2.8.1->pandas) (1.16.0)

In []:

```
import pandas as pd
import matplotlib.pyplot as plt
import seaborn as sns
import numpy as np
from sklearn.preprocessing import MinMaxScaler
from sklearn.model_selection import train_test_split
import tensorflow as tf
from tensorflow import keras
import warnings
warnings.filterwarnings("ignore")
%matplotlib inline
```

In []:

```
Churn_Data=pd.read_csv('Telco-Customer-Churn.csv')
```

In []:

```
Churn_Data.sample(10)
```

Out[4]:

	customerID	gender	SeniorCitizen	Partner	Dependents	tenure	PhoneService	MultipleLines
6663	0674-EYYZV	Female	0	No	No	1	Yes	No
2361	5103-MHMHY	Female	0	No	Yes	1	Yes	No
6221	0042-JVWOJ	Male	0	No	No	26	Yes	No
5150	7017-VFULY	Female	0	Yes	No	2	Yes	No
6432	8221-EQDGL	Male	0	Yes	No	35	Yes	No
4708	5181-OABFK	Female	0	Yes	Yes	56	Yes	No
3099	5505-OVWQW	Female	0	No	No	17	Yes	No
374	6862-CQUMB	Male	0	No	No	37	Yes	No
3329	5366-OBVMR	Female	0	Yes	No	18	Yes	No
6086	0916-KNFAJ	Male	0	Yes	No	61	Yes	No

10 rows × 21 columns



In []:

```
Churn_Data.drop('customerID',axis=1,inplace=True)
```

In []:

▶

```
Churn_Data.sample(8)
```

Out[6]:

	gender	SeniorCitizen	Partner	Dependents	tenure	PhoneService	MultipleLines	Inter
6703	Female	0	No	No	2	No	No phone service	
6483	Male	0	Yes	Yes	13	Yes	No	
621	Female	0	No	No	62	Yes	Yes	
1023	Female	1	Yes	No	45	Yes	No	
4269	Male	0	Yes	No	17	Yes	Yes	
6668	Female	0	No	No	38	Yes	Yes	
5453	Male	0	Yes	No	60	Yes	No	
2688	Male	0	Yes	No	5	Yes	Yes	

In []:

▶

```
Churn_Data.dtypes
```

Out[7]:

```
gender                object
SeniorCitizen         int64
Partner               object
Dependents            object
tenure                int64
PhoneService          object
MultipleLines         object
InternetService       object
OnlineSecurity        object
OnlineBackup          object
DeviceProtection      object
TechSupport           object
StreamingTV           object
StreamingMovies       object
Contract              object
PaperlessBilling      object
PaymentMethod         object
MonthlyCharges        float64
TotalCharges          object
Churn                 object
dtype: object
```

In []:



```
#Convert 'Total Charges' column from object to numerical  
Churn_Data['Totalcharges']=pd.to_numeric(Churn_Data['TotalCharges'],errors='coerce')  
print(Churn_Data.dtypes)
```

```
gender                object  
SeniorCitizen         int64  
Partner               object  
Dependents            object  
tenure                int64  
PhoneService          object  
MultipleLines         object  
InternetService       object  
OnlineSecurity        object  
OnlineBackup          object  
DeviceProtection      object  
TechSupport           object  
StreamingTV           object  
StreamingMovies       object  
Contract              object  
PaperlessBilling      object  
PaymentMethod         object  
MonthlyCharges        float64  
TotalCharges          object  
Churn                 object  
Totalcharges          float64  
dtype: object
```

In []:



```
Churn_Data.shape
```

Out[9]:

```
(7043, 21)
```

In []:



```
Churn_Data.drop_duplicates()  
Churn_Data.shape
```

Out[10]:

```
(7043, 21)
```

In []:



```
Churn_Data.isnull().sum()
```

Out[11]:

gender	0
SeniorCitizen	0
Partner	0
Dependents	0
tenure	0
PhoneService	0
MultipleLines	0
InternetService	0
OnlineSecurity	0
OnlineBackup	0
DeviceProtection	0
TechSupport	0
StreamingTV	0
StreamingMovies	0
Contract	0
PaperlessBilling	0
PaymentMethod	0
MonthlyCharges	0
TotalCharges	0
Churn	0
Totalcharges	11
dtype:	int64

In []:



```
# Replace empty strings or whitespace with NaN
Churn_Data['TotalCharges'].replace('', np.nan, inplace=True)
Churn_Data['TotalCharges'].replace(' ', np.nan, inplace=True)

# Drop rows with null values in the 'TotalCharges' column
Churn_Data.dropna(subset=['TotalCharges'], inplace=True)

print(Churn_Data.isnull().sum())
```

```
gender                0
SeniorCitizen         0
Partner               0
Dependents            0
tenure                0
PhoneService          0
MultipleLines         0
InternetService       0
OnlineSecurity        0
OnlineBackup          0
DeviceProtection      0
TechSupport           0
StreamingTV           0
StreamingMovies       0
Contract              0
PaperlessBilling      0
PaymentMethod         0
MonthlyCharges        0
TotalCharges          0
Churn                 0
Totalcharges          0
dtype: int64
```

In []:



```
Churn_Data.dropna(inplace=True)

print(Churn_Data.isnull().sum())
```

```
gender                0
SeniorCitizen         0
Partner               0
Dependents            0
tenure                0
PhoneService          0
MultipleLines         0
InternetService       0
OnlineSecurity        0
OnlineBackup          0
DeviceProtection      0
TechSupport           0
StreamingTV           0
StreamingMovies       0
Contract              0
PaperlessBilling      0
PaymentMethod         0
MonthlyCharges        0
TotalCharges          0
Churn                 0
Totalcharges          0
dtype: int64
```

In []:



```
Churn_Data.shape
```

Out[14]:

```
(7032, 21)
```

#EDA

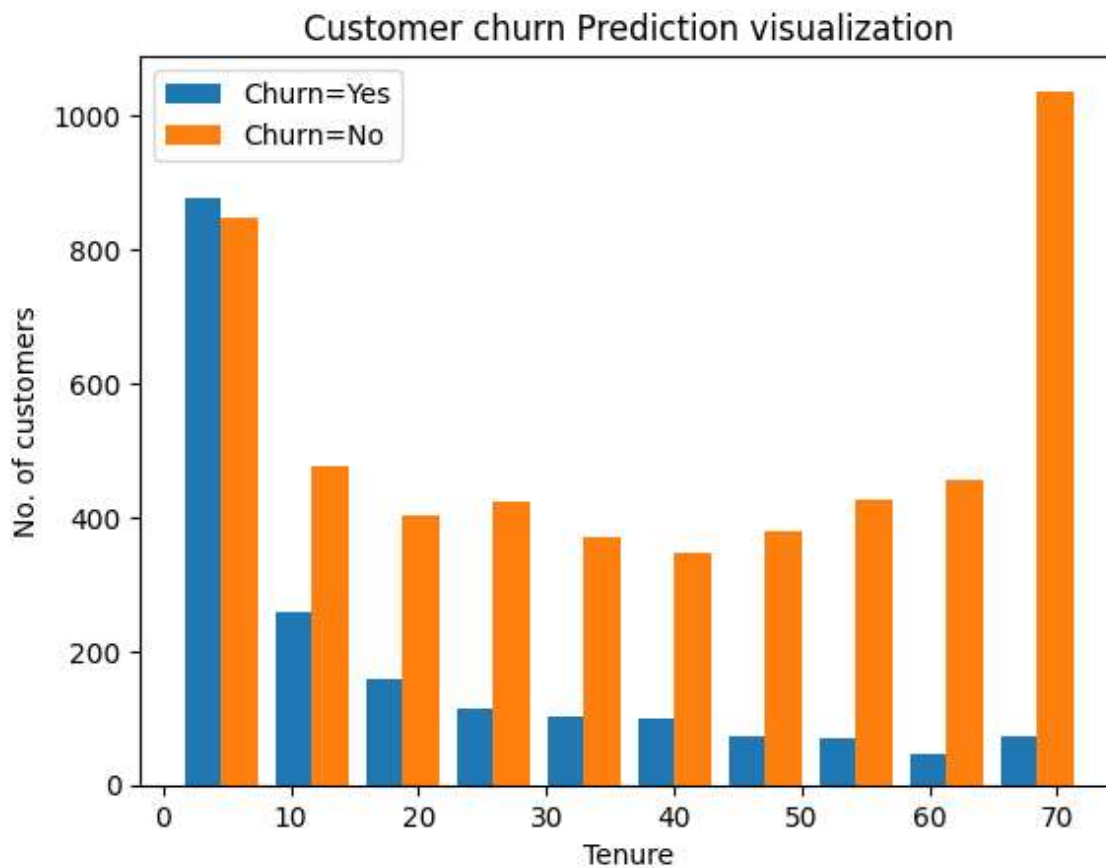
In []:



```
tenure_churn_no=Churn_Data[Churn_Data.Churn=='No'].tenure  
tenure_churn_yes=Churn_Data[Churn_Data.Churn=='Yes'].tenure  
plt.hist([tenure_churn_yes,tenure_churn_no],label=['Churn=Yes','Churn=No'])  
plt.legend()  
plt.xlabel('Tenure')  
plt.ylabel('No. of customers')  
plt.title('Customer churn Prediction visualization')
```

Out[15]:

Text(0.5, 1.0, 'Customer churn Prediction visualization')



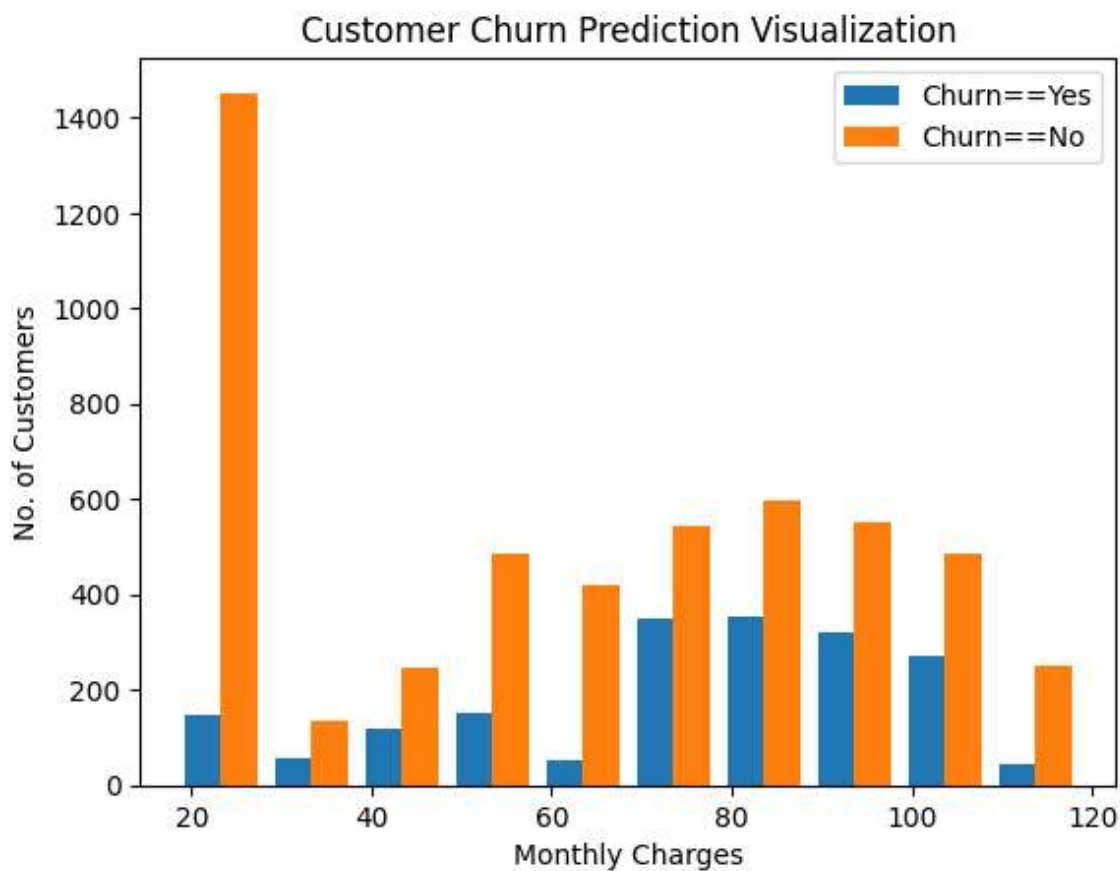
In []:



```
monthly_charges_no=Churn_Data[Churn_Data.Churn=='No'].MonthlyCharges
monthly_charges_yes=Churn_Data[Churn_Data.Churn=='Yes'].MonthlyCharges
plt.hist([monthly_charges_yes,monthly_charges_no],
        label=['Churn==Yes', 'Churn==No'])
plt.legend()
plt.xlabel('Monthly Charges')
plt.ylabel('No. of Customers')
plt.title('Customer Churn Prediction Visualization')
```

Out[16]:

Text(0.5, 1.0, 'Customer Churn Prediction Visualization')

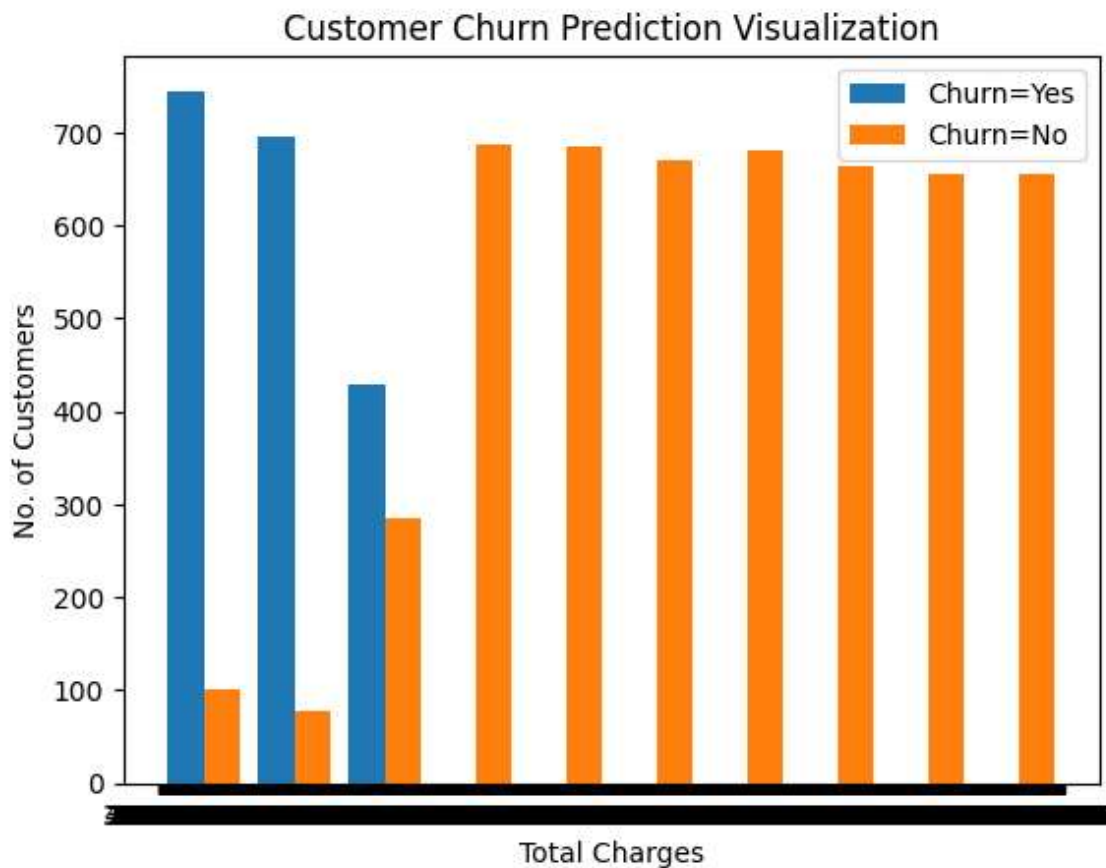


In []:

```
Total_Charges_no=Churn_Data[Churn_Data.Churn=='No'].TotalCharges
Total_Charges_yes=Churn_Data[Churn_Data.Churn=='Yes'].TotalCharges
plt.hist([Total_Charges_yes,Total_Charges_no],label=['Churn=Yes','Churn=No'])
plt.legend()
plt.xlabel('Total Charges')
plt.ylabel('No. of Customers')
plt.title('Customer Churn Prediction Visualization')
```

Out[17]:

```
Text(0.5, 1.0, 'Customer Churn Prediction Visualization')
```



In []:



```
Churn_Data.nunique()
```

Out[18]:

```
gender                2
SeniorCitizen         2
Partner               2
Dependents            2
tenure                72
PhoneService          2
MultipleLines         3
InternetService       3
OnlineSecurity        3
OnlineBackup          3
DeviceProtection      3
TechSupport           3
StreamingTV           3
StreamingMovies       3
Contract              3
PaperlessBilling      2
PaymentMethod         4
MonthlyCharges        1584
TotalCharges          6530
Churn                 2
Totalcharges          6530
dtype: int64
```

In []:



```
Churn_Data.replace('No phone service','No',inplace=True)
Churn_Data.replace('No internet service','No',inplace=True)
Churn_Data.columns
```

Out[19]:

```
Index(['gender', 'SeniorCitizen', 'Partner', 'Dependents', 'tenure',
      'PhoneService', 'MultipleLines', 'InternetService', 'OnlineSecurity',
      'OnlineBackup', 'DeviceProtection', 'TechSupport', 'StreamingTV',
      'StreamingMovies', 'Contract', 'PaperlessBilling', 'PaymentMethod',
      'MonthlyCharges', 'TotalCharges', 'Churn', 'Totalcharges'],
      dtype='object')
```

In []:



```
yes_no_columns=['Partner','Dependents','PhoneService','MultipleLines','OnlineSecurity','TechSupport','StreamingTV','StreamingMovies','PaperlessBilling','Churn']
for col in yes_no_columns:
    Churn_Data[col].replace({'Yes':1,
                             'No':0},
                             inplace=True)
```

In []:

```
Churn_Data['gender'].unique()
```

Out[21]:

```
array(['Female', 'Male'], dtype=object)
```

In []:

```
Churn_Data['Dependents'].unique()
```

Out[22]:

```
array([0, 1])
```

In []:

```
Churn_Data_1=pd.get_dummies(data=Churn_Data,
                             columns=['InternetService','Contract','PaymentMethod'])
Churn_Data_1.columns
```

Out[23]:

```
Index(['gender', 'SeniorCitizen', 'Partner', 'Dependents', 'tenure',
      'PhoneService', 'MultipleLines', 'OnlineSecurity', 'OnlineBackup',
      'DeviceProtection', 'TechSupport', 'StreamingTV', 'StreamingMovie
s',
      'PaperlessBilling', 'MonthlyCharges', 'TotalCharges', 'Churn',
      'Totalcharges', 'InternetService_DSL', 'InternetService_Fiber opti
c',
      'InternetService_No', 'Contract_Month-to-month', 'Contract_One yea
r',
      'Contract_Two year', 'PaymentMethod_Bank transfer (automatic)',
      'PaymentMethod_Credit card (automatic)',
      'PaymentMethod_Electronic check', 'PaymentMethod_Mailed check'],
      dtype='object')
```

In []:



```
Churn_Data_1.dtypes
```

Out[24]:

gender	object
SeniorCitizen	int64
Partner	int64
Dependents	int64
tenure	int64
PhoneService	int64
MultipleLines	int64
OnlineSecurity	int64
OnlineBackup	int64
DeviceProtection	int64
TechSupport	int64
StreamingTV	int64
StreamingMovies	int64
PaperlessBilling	int64
MonthlyCharges	float64
TotalCharges	object
Churn	int64
Totalcharges	float64
InternetService_DSL	uint8
InternetService_Fiber optic	uint8
InternetService_No	uint8
Contract_Month-to-month	uint8
Contract_One year	uint8
Contract_Two year	uint8
PaymentMethod_Bank transfer (automatic)	uint8
PaymentMethod_Credit card (automatic)	uint8
PaymentMethod_Electronic check	uint8
PaymentMethod_Mailed check	uint8
dtype:	object

In []:



```
col_to_scale=['tenure', 'MonthlyCharges', 'TotalCharges']  
scaler=MinMaxScaler()  
Churn_Data_1[col_to_scale]=scaler.fit_transform(Churn_Data_1[col_to_scale])
```

In []:

Churn_Data_1[col_to_scale]

Out[26]:

	tenure	MonthlyCharges	TotalCharges
0	0.000000	0.115423	0.001275
1	0.464789	0.385075	0.215867
2	0.014085	0.354229	0.010310
3	0.619718	0.239303	0.210241
4	0.014085	0.521891	0.015330
...
7038	0.323944	0.662189	0.227521
7039	1.000000	0.845274	0.847461
7040	0.140845	0.112935	0.037809
7041	0.042254	0.558706	0.033210
7042	0.915493	0.869652	0.787641

7032 rows × 3 columns

In []:

Churn_Data_1= pd.get_dummies(Churn_Data_1, columns=['gender'])
Churn_Data_1

Out[41]:

	SeniorCitizen	Partner	Dependents	tenure	PhoneService	MultipleLines	OnlineSecu
0	0	1	0	0.000000	0	0	
1	0	0	0	0.464789	1	0	
2	0	0	0	0.014085	1	0	
3	0	0	0	0.619718	0	0	
4	0	0	0	0.014085	1	0	
...
7038	0	1	1	0.323944	1	1	
7039	0	1	1	1.000000	1	1	
7040	0	1	1	0.140845	0	0	
7041	1	1	0	0.042254	1	1	
7042	0	0	0	0.915493	1	0	

7032 rows × 29 columns

In []:

```
X=Churn_Data_1.drop('Churn',  
                    axis='columns')  
y=Churn_Data_1['Churn']
```

In []:

```
X_train,X_test,y_train,y_test=train_test_split(X,y,test_size=0.3,random_state=42)
```

In []:

```
X_train.shape
```

Out[44]:

```
(4922, 28)
```

In []:

```
X_test.shape
```

Out[45]:

```
(2110, 28)
```

In []:

```
len(X_train.columns)
```

Out[46]:

```
28
```

In []:

```
# Feature scaling using Min-Max Scaler  
scaler = MinMaxScaler()  
X_train_scaled = scaler.fit_transform(X_train)  
X_test_scaled = scaler.transform(X_test)
```

In []:

```
model=keras.Sequential([  
    keras.layers.Dense(20,input_shape=(28,),activation='relu'),  
    keras.layers.Dense(1,activation='sigmoid')  
)  
model.compile(optimizer='adam',  
              loss='binary_crossentropy',  
              metrics=['accuracy'])
```


In []:



```
# Train the model
model.fit(X_train, y_train, epochs=100)
```

```
Epoch 1/100
154/154 [=====] - 1s 1ms/step - loss: 5.1854
- accuracy: 0.6735
Epoch 2/100
154/154 [=====] - 0s 1ms/step - loss: 0.6965
- accuracy: 0.7462
Epoch 3/100
154/154 [=====] - 0s 1ms/step - loss: 0.6616
- accuracy: 0.7690
Epoch 4/100
154/154 [=====] - 0s 1ms/step - loss: 0.5778
- accuracy: 0.7761
Epoch 5/100
154/154 [=====] - 0s 1ms/step - loss: 0.6767
- accuracy: 0.7706
Epoch 6/100
154/154 [=====] - 0s 1ms/step - loss: 0.7045
- accuracy: 0.7714
Epoch 7/100
```

In []:



```
model.evaluate(X_test,y_test)
```

```
66/66 [=====] - 0s 949us/step - loss: 0.6900 - a
ccuracy: 0.6986
```

Out[52]:

```
[0.6900379061698914, 0.6985781788825989]
```

In []:



```
y_pred=model.predict(X_test)
y_pred[:2]
```

```
66/66 [=====] - 0s 749us/step
```

Out[53]:

```
array([[0.01115342],
       [0.22705288]], dtype=float32)
```

In []:



```
y_test
```

Out[54]:

```
2481    0
6784    0
6125    1
3052    0
4099    0
..
2763    0
6747    0
1700    0
1099    0
4720    0
Name: Churn, Length: 2110, dtype: int64
```

In []:



```
y_prediction=[]
for elements in y_pred:
    if elements>0.5:
        y_prediction.append(1)
    else:
        y_prediction.append(0)
y_prediction[:5]
```

Out[55]:

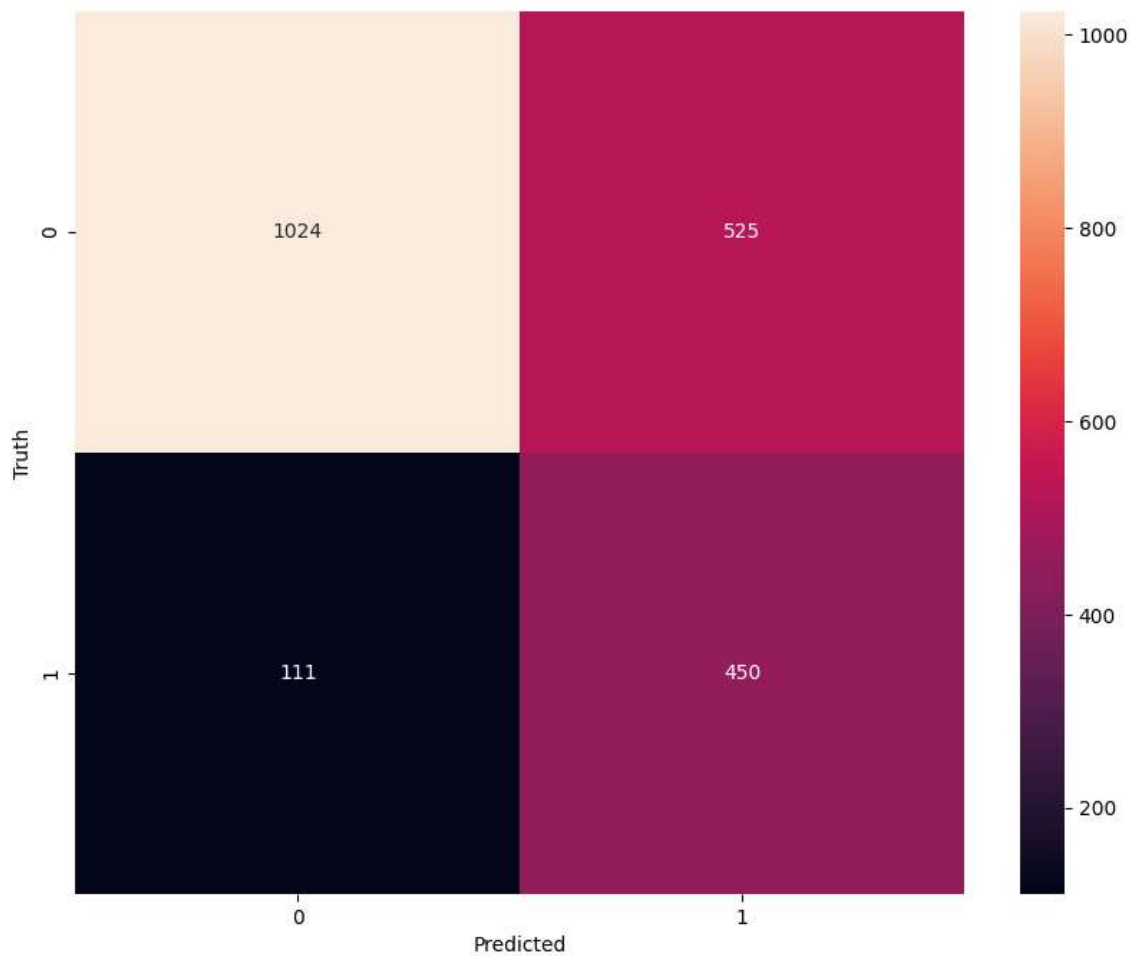
```
[0, 0, 1, 0, 0]
```

In []:

```
cm=tf.math.confusion_matrix(labels=y_test,
                             predictions=y_prediction)
plt.figure(figsize=(10,8))
sns.heatmap(cm, annot=True, fmt='d')
plt.xlabel('Predicted')
plt.ylabel('Truth')
```

Out[61]:

Text(95.72222222222221, 0.5, 'Truth')



Accuracy

In []:

```
round((873+222)/(873+222+186+126),2)
```

Out[62]:

0.78

Precision for customers who did not churn

In []:



```
round(873/(873+186),2)
```

Out[64]:

0.82

Precision for customers who actually

In []:



```
round(222/(222+126),2)
```

Out[65]:

0.64

Recall for 0

In []:



```
round(873/(873+126),2)
```

Out[66]:

0.87

Recall for 1

In []:



```
round(222/(222+186),2)
```

Out[67]:

0.54