

MACHINE LEARNING FINAL PROJECT PART-B

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Problem Statement The objective of this analysis is to predict customer churn — whether a customer is likely to discontinue the company's services — based on demographic information, account details, and service usage patterns. By building and comparing classification models, the goal is to identify key factors driving churn and develop a predictive model that helps the business take proactive retention actions to reduce customer loss and improve satisfaction.

LIBRARIES USED: pandas, matplotlib, seaborn, scikit-learn

PROJECT EXPLANATION VIDEO LINK:https://www.loom.com/share/637afaa5d044bdf1af4b6028c6addf18

Customer Churn Prediction

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In [1]: #IMPORTING NECESSARY LIBRARIES
import pandas as pd
import matplotlib.pyplot as plt
import seaborn as sns
from sklearn.preprocessing import StandardScaler
from sklearn.model_selection import train_test_split
from sklearn.linear_model import LogisticRegression
from sklearn.metrics import accuracy_score, precision_score, recall_score, f1_score, classification_report, confusion_matrix
from sklearn.tree import DecisionTreeClassifier
from sklearn.ensemble import RandomForestClassifier

In [2]: df=pd.read_csv("E:\Course datasets\MG_Datasets\Customer_data.csv", header=None)
print(df.head(10))

   0      1      2      3      4      5  \
0  customerID  gender  SeniorCitizen  Partner  Dependents  tenure
1  1790-VHVEG  Female              0      Yes      No      1
2  1577-QDQSE  Male              0      No      No      34

   6      7      8      9  ...  \
0  PhoneService  MultipleLines  InternetService  OnlineSecurity  ...
1      No  No  No  phone service  DSL      No  ...
2      Yes      No      No      No      No  Yes  ...

   11      12      13      14  \
0  DeviceProtection  TechSupport  StreamingTV  StreamingMovies
1      No      No      No      No      No
2      Yes      No      No      No      No

   15      16      17      18  \
0  Contract  PaperlessBilling  PaymentMethod  MonthlyCharges
1  Month-to-month  Yes  Electronic check  29.85
2      One year      No  Mailed check  56.95

   19      20
0  TotalCharges  Churn
1  1889.50      No
2  1889.5      No

[3 rows x 21 columns]

In [3]: df=pd.read_csv("E:\Course datasets\MG_Datasets\Customer_data.csv", header=0)

TASK-1

In [4]: print(df.columns)
print(df["Churn"].unique())[:5]

Index(['customerID', 'gender', 'SeniorCitizen', 'Partner', 'Dependents',
       'tenure', 'PhoneService', 'MultipleLines', 'InternetService',
       'OnlineSecurity', 'OnlineBackup', 'DeviceProtection', 'TechSupport',
       'StreamingTV', 'StreamingMovies', 'Contract', 'PaperlessBilling',
       'PaymentMethod', 'MonthlyCharges', 'TotalCharges', 'Churn'],
      dtype='object')
['Yes']
['No']

In [5]: df["Churn"] = df["Churn"].astype(str).str.strip().str.title()
df["Churn"] = df["Churn"].map({'Yes': 1, 'No': 0})
print(df["Churn"].value_counts(dropna=False))

Churn
0    2174
1     1869
Name: count, dtype: int64

In [6]: df.info()

<class 'pandas.core.frame.DataFrame'>
RangeIndex: 7043 entries, 0 to 7042
Data columns (total 21 columns):
 #   Column                Non-Null Count  Dtype
---  ---
 0  customerID            7043 non-null   object
 1  gender                7043 non-null   object
 2  SeniorCitizen         7043 non-null   int64
 3  Partner               7043 non-null   object
 4  Dependents            7043 non-null   object
 5  tenure                7043 non-null   int64
 6  PhoneService          7043 non-null   object
 7  MultipleLines         7043 non-null   object
 8  InternetService       7043 non-null   object
 9  OnlineSecurity        7043 non-null   object
10  OnlineBackup          7043 non-null   object
11  DeviceProtection      7043 non-null   object
12  TechSupport           7043 non-null   object
13  StreamingTV           7043 non-null   object
14  StreamingMovies       7043 non-null   object
15  Contract              7043 non-null   object
16  PaperlessBilling      7043 non-null   object
17  PaymentMethod         7043 non-null   object
18  MonthlyCharges        7043 non-null   float64
19  TotalCharges          7032 non-null   float64
20  Churn                 7043 non-null   int64
dtypes: float64(2), int64(3), object(16)
memory usage: 1.1+ MB

In [7]: df.isnull().sum()

Out[7]:
customerID      0
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     1
Churn            0
dtype: int64

In [8]: #HANDLING THE MISSING VALUES
df["TotalCharges"] = pd.to_numeric(df["TotalCharges"], errors='coerce')
df["TotalCharges"].fillna(df["TotalCharges"].median())

Out[8]:
0      29.85
1    1889.50
2     108.15
3    1840.75
4     151.65
...
7038   1990.50
7039   7502.90
7040    346.45
7041    506.60
7042    884.50
Name: TotalCharges, Length: 7043, dtype: float64

In [9]: #REMOVING THE UNNECESSARY COLUMNS
df.drop(columns=["customerID"], inplace=True)

In [10]: cat_cols = df.select_dtypes(include=["object"]).columns
df=pd.get_dummies(df, columns=cat_cols, drop_first=True)

#SELECTS THE COLUMNS WITH OBJECT DATATYPES
#CHANGES STRING VALUES TO NUMERIC DUMMIES FOR MACHINE TO UNDERSTAND

In [11]: #SCALING THE DATA
num_cols = ['tenure', 'MonthlyCharges', 'TotalCharges']
df[num_cols] = StandardScaler().fit_transform(df[num_cols])

TASK-2

MODEL-1: LOGISTIC REGRESSION

In [12]: #SPLITTING THE DATA
x=df.drop("churn", axis=1)
y=df["churn"]
x_train,x_test,y_train,y_test=train_test_split(x,y,test_size=0.2, random_state=42, stratify=y)

In [13]: #HANDLING NAN VALUES
x_train=x_train.fillna(x_train.median())
x_test=x_test.fillna(x_test.median())

In [14]: #INITIALIZE THE MODEL AND TRAINING
lr_model=LogisticRegression()
lr_model.fit(x_train,y_train)

Out[14]:
LogisticRegression

In [15]: #PREDICTIONS
y_pred=lr_model.predict(x_test)

TASK-3

In [16]: accuracy=accuracy_score(y_test,y_pred)
precision=precision_score(y_test,y_pred)
recall=recall_score(y_test, y_pred)
f1=f1_score(y_test, y_pred)

print("Accuracy:", round(accuracy,3))
print("Precision:", round(precision,3))
print("Recall:", round(recall,3))
print("F1 score:", round(f1,3))
print(classification_report(y_test, y_pred))

Accuracy: 0.856
Precision: 0.858
Recall: 0.556
F1 score: 0.693

precision    recall  f1-score   support

0         0.85         0.90         0.87       1035
1         0.66         0.56         0.60         374

accuracy         0.75
macro avg        0.73         0.73         0.74       1409
weighted avg     0.80         0.81         0.80       1409

In [17]: #CONFUSION MATRIX
cm=confusion_matrix(y_test, y_pred)
sns.heatmap(cm, annot=True, fmt='d', cmap="Blues")
plt.title("Confusion Matrix for Logistic Regression")
plt.xlabel("Predicted")
plt.ylabel("Actual")
plt.show()

Confusion Matrix for Logistic Regression

Actual \ Predicted
0       927       108
1       166       208

In [18]: #Feature Importance
coef = pd.Series(lr_model.coef_[0], index=x.columns).sort_values()
coef.tail(10).plot(kind="barh", title="Top Positive Features (Increase Churn Probability)")
plt.show()

Top Positive Features (Increase Churn Probability)

InternetService_Fiber optic
TotalCharges
StreamingMovies_Yes
StreamingTV_Yes
PaymentMethod_Electronic check
PaperlessBilling_Yes
MultipleLines_Yes
SeniorCitizen
PaymentMethod_Mailed check
DeviceProtection_Yes

MODEL-2: DECISION TREE CLASSIFIER

In [19]: dt_model=DecisionTreeClassifier(max_depth=6, random_state=42)
dt_model.fit(x_train,y_train)

Out[19]:
DecisionTreeClassifier

In [20]: #PREDICTIONS
ydt_pred=dt_model.predict(x_test)

In [21]: #EVALUATIONS
Accuracy=accuracy_score(y_test,ydt_pred)
Precision=precision_score(y_test, ydt_pred)
Recall=recall_score(y_test, ydt_pred)
F1=f1_score(y_test, ydt_pred)

print("Accuracy:", round(Accuracy, 3))
print("Precision:", round(Precision,3))
print("Recall:", round(Recall,3))
print("F1 score:", round(F1,3))
print(classification_report(y_test, ydt_pred))

Accuracy: 0.797
Precision: 0.675
Recall: 0.455
F1 score: 0.543

precision    recall  f1-score   support

0         0.82         0.92         0.87       1035
1         0.67         0.45         0.54         374

accuracy         0.73
macro avg        0.73         0.69         0.71       1409
weighted avg     0.78         0.69         0.78       1409

In [22]: #CONFUSION MATRIX
cm=confusion_matrix(y_test, ydt_pred)
sns.heatmap(cm, annot=True, fmt='d', cmap="Blues")
plt.title("Confusion matrix of Decision Tree")
plt.xlabel("Predicted")
plt.ylabel("Actual")
plt.show()

Confusion matrix of Decision Tree

Actual \ Predicted
0       953       82
1       204       170

In [23]: #FEATURE IMPORTANCE
importance = pd.Series(dt_model.feature_importances_, index=x.columns)
importance.nlargest(10).plot(kind="barh", title="Top 10 Important Features")
plt.show()

Top 10 Important Features

Partner_Yes
PaperlessBilling_Yes
OnlineSecurity_Yes
gender_Male
Contract_Two year
PaymentMethod_Electronic check
InternetService_Fiber optic
MonthlyCharges
tenure
TotalCharges

MODEL-3: RANDOM FOREST CLASSIFIER

In [24]: rf_model=RandomForestClassifier(n_estimators=200, random_state=42)
rf_model.fit(x_train,y_train)

Out[24]:
RandomForestClassifier

In [25]: #PREDICTIONS
yrf_pred=rf_model.predict(x_test)

In [27]: #EVALUATIONS
r_Accuracy=accuracy_score(y_test,yrf_pred)
r_Precision=precision_score(y_test, yrf_pred)
r_Recall=recall_score(y_test, yrf_pred)
r_f1=f1_score(y_test, yrf_pred)

print("Accuracy:", round(r_Accuracy,3))
print("Precision:", round(r_Precision, 3))
print("Recall:", round(r_Recall, 3))
print("F1 score:", round(r_f1, 3))
print(classification_report(y_test, yrf_pred))

Accuracy: 0.79
Precision: 0.634
Recall: 0.495
F1 score: 0.556

precision    recall  f1-score   support

0         0.83         0.90         0.86       1035
1         0.63         0.49         0.56         374

accuracy         0.73
macro avg        0.73         0.70         0.71       1409
weighted avg     0.78         0.79         0.78       1409

In [28]: #CONFUSION MATRIX
cm=confusion_matrix(y_test, yrf_pred)
sns.heatmap(cm, annot=True, fmt='d', cmap="Blues")
plt.title("Confusion matrix of Random Forest Classifier")
plt.xlabel("Predicted")
plt.ylabel("Actual")
plt.show()

Confusion matrix of Random Forest Classifier

Actual \ Predicted
0       928       107
1       189       185

In [29]: #FEATURE IMPORTANCE
importance = pd.Series(rf_model.feature_importances_, index=x.columns)
importance.nlargest(10).plot(kind="barh", title="Top 10 Important Features")
plt.show()

Top 10 Important Features

Partner_Yes
PaperlessBilling_Yes
OnlineSecurity_Yes
gender_Male
Contract_Two year
PaymentMethod_Electronic check
InternetService_Fiber optic
MonthlyCharges
tenure
TotalCharges

In [30]: #COMPARING THE EVALUATION METRICS OF ALL MODELS
results = pd.DataFrame()

Model = ['Logistic Regression', 'Decision Tree', 'Random Forest',
         'Accuracy', [accuracy, Accuracy, r_Accuracy],
         'Precision', [precision, Precision, r_Precision],
         'Recall', [recall, Recall, r_Recall],
         'F1 score', [f1, F1, r_f1]]

results = results.round(3)
print(results)

Model Accuracy Precision Recall F1 Score
0 Logistic Regression 0.856 0.858 0.556 0.693
1 Decision Tree 0.797 0.675 0.455 0.543
2 Random Forest 0.790 0.634 0.495 0.556

MODEL EVALUATION INSIGHTS

Logistic Regression

1.Highest Accuracy (0.856) and F1-Score (0.693) among all models. 2.Performs consistently across Precision (0.858) and Recall (0.556).

Insight: A strong, interpretable baseline model with well-balanced performance.

Decision Tree

1.Accuracy 0.797, highest Precision (0.675) but lower Recall (0.455).

Insight: Predicts churn confidently but misses some actual churners – slightly conservative.

Random Forest

1.Accuracy 0.790, Precision 0.634, Recall 0.495, F1 0.556.

Insight: Robust and consistent, tuning hyperparameters could improve recall.
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