Intelligent Customer Retention: Using Machine Learning For Enhanced Prediction of Telecom Customer Churn

1.INTRODUCTION:

1.1. **OVERVIEW**

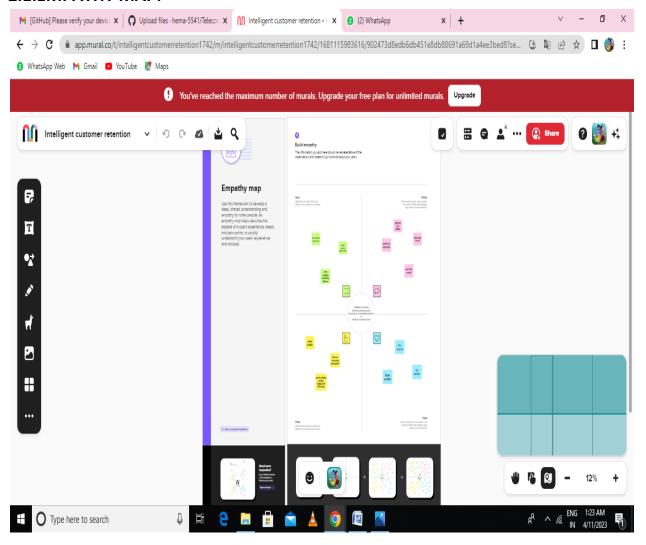
Customer churn is often referred to as customer attrition, or customer defection which is the rate at which the customers are lost. Customer churn is a major problem and one of the most important concerns for large companies. Due to the direct effect on the revenues of the companies, especially in the telecom field, companies are seeking to develop means to predict potential customer to churn. Looking at churn, different reasons trigger customers to terminate their contracts, for example better price offers, more interesting packages, bad service experiences or change of customers' personal situations.

1.2.PURPOSE

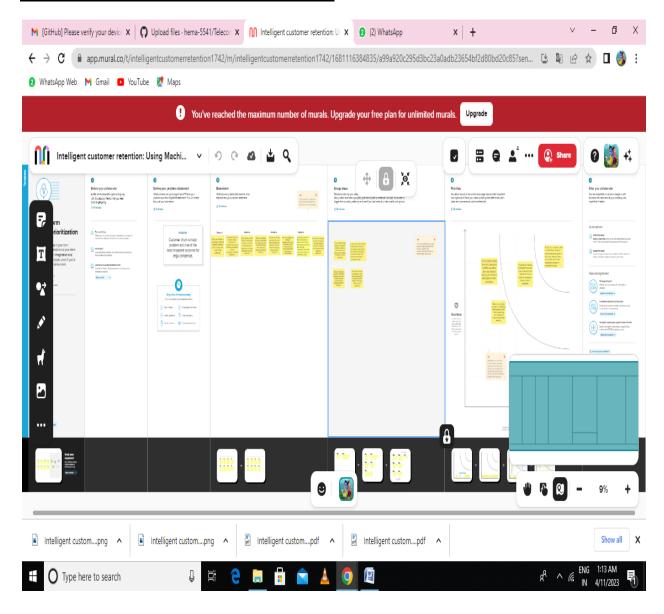
The purpose of this proposed work is to apply a novel retention technique called the targeted proactive and stop many customers from Leaving and help to not cancel our subscription to our service.

2.PROBLEM DEFINITION & DESIGN THINKING:

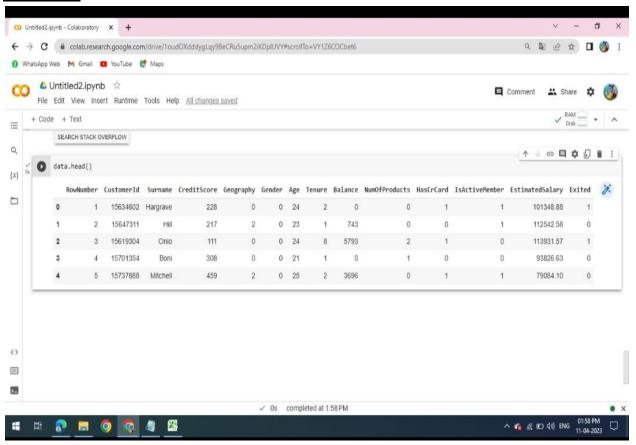
2.1.EMPATHY MAP:

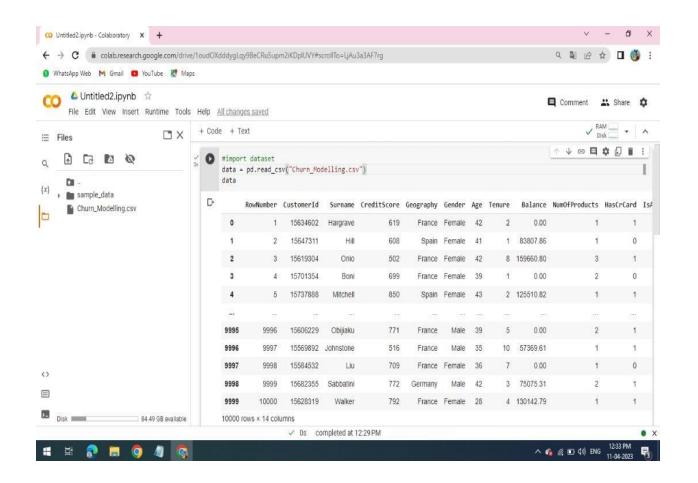


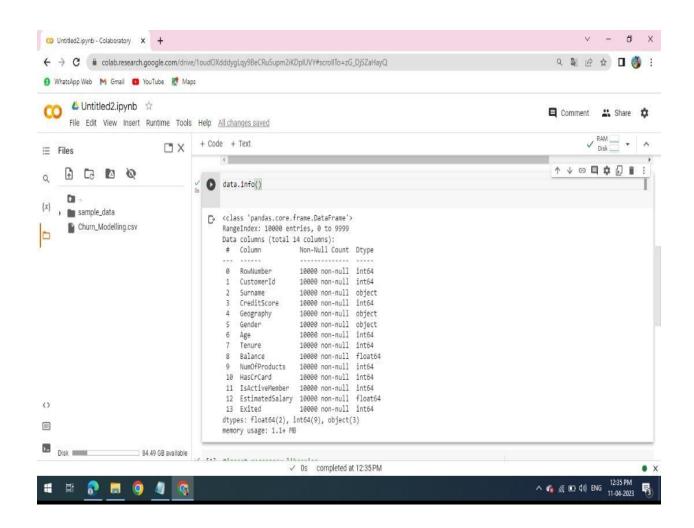
2.2.IDEATION & BRAINSTORMING MAP:

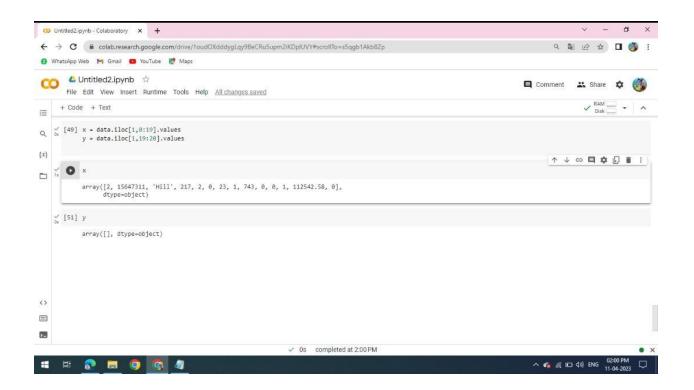


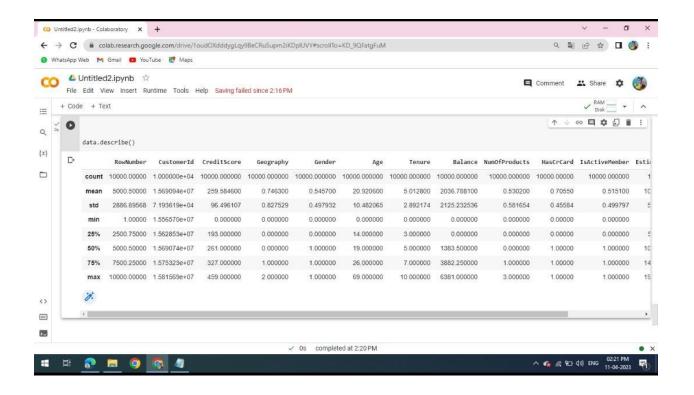
3.RESULT:

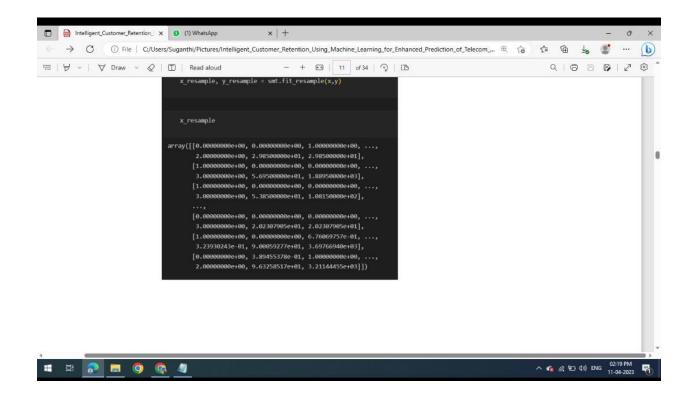


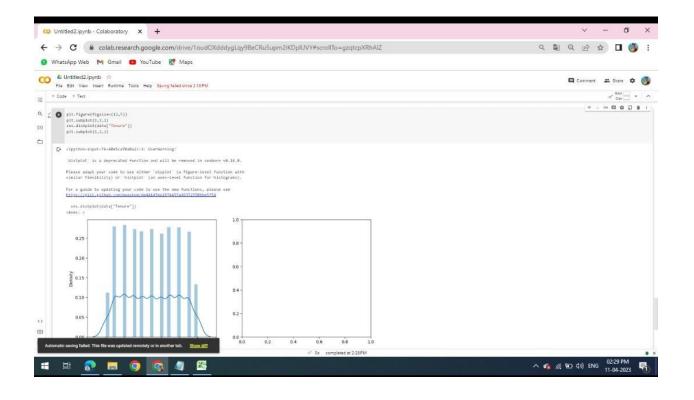


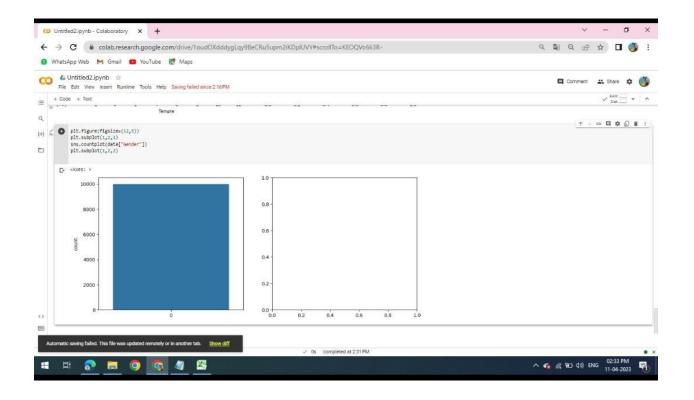


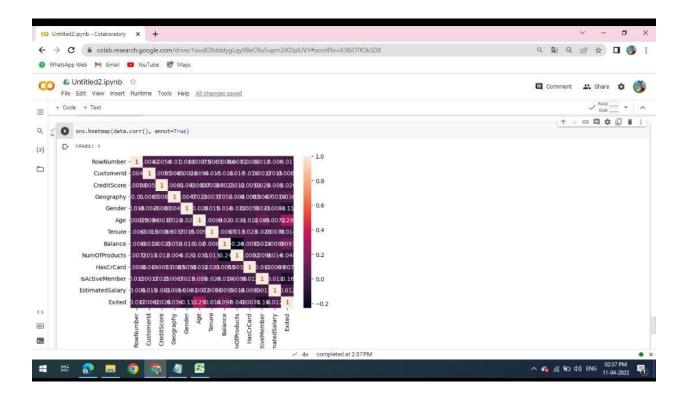


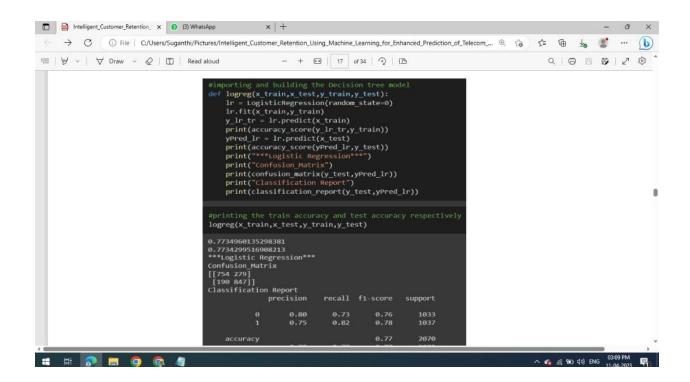












4.ADVANTAGES & DISADVANTAGE:

ADVANTAGE:

- > Cheaper than acquisition
- > Loyal customers yield higher profits
- More word of mouth referrals
- > Easy up-selling and cross-selling
- > Loyal customers are more forgiving
- > Better communication with customers

DISADVANTAGES:

- > Large investment in terms of price and time.
- > Require concerted commitment and business culture.
- ➤ There are a multitude of issues that can lead customers to leave a business, but there are a few that are considered to be the leading causes of customer.
- > The first is poor customer service.

5.APPLICATION:

Machine learning algorithms assist telecom network engineers with detecting instances of illegal access, fake caller profiles and cloning. To achieve this, the algorithms perform behavioral monitoring of the global telecom networks of CSPs. Accordingly , the network traffic along such networks is closely monitored.

6.CONCLUSION:

Implementing customer churn models in your business, you will stop many consumers from leaving, and by that – make more money. If you have any questions or need an explanation about customer churn prediction using machine learning, ping us a message.

7.FUTURE SCOPE:

Churn prediction means detecting which customers are likely to leave a service or to cancel a subscription to a service. It is a critical prediction for many businesses because acquiring new clients often costs more than retaining existing ones.

8.APPENDIX:

A. Source code

#import necessary libraries

import pandas as pd

import numpy as np

import pickle

import matplotlib.pyplot as plt

%matplotlib inline

import seaborn as sns

import sklearn

from sklearn.preprocessing import LabelEncoder,OneHotEncoder

from sklearn.linear model import LogisticRegression

from sklearn.tree import DecisionTreeClassifier

from sklearn.ensemble import RandomForestClassifier

from sklearn.neighbors import KNeighborsClassifier

from sklearn.svm import SVC

from sklearn.model_selection import RandomizedSearchCV

import imblearn

from imblearn.over sampling import SMOTE

from sklearn.model_selection import train_test_split

from sklearn.preprocessing import StandardScaler

#from sklearn.metrics import accuracy score, classification report, confustion matrix, fi score

#import dataset

```
data = pd.read csv(r"C:\Users\Shivani SB\OneDrive\Desktop\Telecom churn modelling-
updated\data\DataSet.csv")
data
data.info()
<class 'pandas.core.frame.DataFrame'>
RangeIndex:7043 entries,0 to 7042
Data columns (total 20 columns):
#checking for null values
data.TotalCharges=pd.to_numeric(data.totalCharges,errors='coerce')
data.isnull().any()
data["TotalCharges"].fillna(data["TotalCharges"].median(),inplace=True)
data.isnull().sum()
from sklearn.preprocessing import Labelencoder
le = LabelEncoder()
data["gender"] = le.fit_transform(data["gender"])
data["Partner"] = le.fit_transform(data["Partner"])
```

```
data["Dependents"] = le.fit transform(data["Dependents"])
data["PhoneService"] = le.fit_transform(data["PhoneService"])
data["MultipleLines"] = le.fit transform(data["MultipleLines"])
data["InternetService"] = le.fit transfrm(data["InternetService"])
data["OnlineSecurity"] = le.fit transform(data["OnlineSecurity"])
data["OnlineBackup"] = le.fit_transform(data["OnlineBackup"])
data["DeviceProtection"] = le.fit transform(data["DeviceProtection"])
data["TechSupport"] = le.fit transform(data["TechSupport"])
data["StreamingTV"] = le.fit transform(data["StreamingTV"])
data["StreamingMovies"] = le.fit transform(data["StreamingMovies"])
data["Contract"] = le.fit transform(data["Contract"])
data["PaperlessBilling"] = le.fit_transform(data["PaperlessBiing"])
data["PaymentMethod"] = le.fit transform(data["Paymentmethod"])
data["Churn"] = le.fit_transform(data["Churn"])
data.head()
x = data.iloc[1,0:19].values
y = data.iloc[1,19:20].values
from sklearn.preprocessing import OnellotEncoder
one = OnellotEncoder()
a = one.fit transform(x[:,6:7]).toarray()
b= one.fit_transform(x[:,7:8]).toarray()
```

```
c= one.fit_transform(x[:,8:9]).toarray()
d= one.fit_transform(x[:,9:10]).toarray()
e= one.fit_transform(x[:,10:11]).toarray()
f= one.fit_transform(x[:,11:12]).toarray()
g= one.fit_transform(x[:,12:13]).toarray()
h= one.fit_transform(x[:,13:14]).toarray()
i= one.fit_transform(x[:,14:15]).toarray()
j= one.fit_transform(x[:,16:17]).toarray()
x=np.delete(x,[6,7,8,9,10,11,12,13,14,16],axis=1)
x=np.concatenate((a,b,c,d,e,f,g,h,i,j,x),axis),axis=1)
from imblearn.over_sampling import SMOT
snt = SMOT()
x_resample,y_resample = snt.fit_resample(x,y)
```

data.describe()

```
plt.figure(figsize-(12,5))
plt.subplot(1,2,1)
sns.distplot(data["Encure"])
plt.subplot(1,2,2)
sns.distplot(dats["MonthlyCharges"])
plt.figure(figsize=(12,5))
plt.subplot(1,2,1)
sns.countplot(data["gender"])
plt.sublot(1,2,2)
sns.countplot(data["Dependents"])
sns.barplot(x-"Churn", y-"MonthlyCharges",data-data)
<AxesSubplot:Xlabel='Churn', ylabel='MonthlyCharges'>
sns.heatnap(data.corr(), annot=True)
sns.pairplot(data=data,markers=["x","y"],palette="inferno)
```

```
from sklearn.model_selection import train_test_split
x_train.x_test,y_train,y_test=train_test_split(x_resample,y_resample,text_size=0.2,random_sta
te=0)
from sklearn.preprocessing import StandardScaler
sc - StandardScaler(0
x_train - sc.fit_transfrom(x_train)
x_test - sc.fit_transform(x_test_)
x_train.shape
#importing and buliding the Decision tree model
def logreg(x_train,x_test,y_train,y_test):
lr=logisticRegression(random_state=0)
Ir.fit(x_train,y_train)
y_lr_tr = lr.predict(x_train)
print(accurac_score(y_lr_tr,y_train))
yPred_Ir = Ir.predict(x_test)
print(accurary_score(yPred_Ir,y_test))
print("***Logistic Regression***")
print("Confusion_Matrix")
print(confusion_matrix(y_test,yPred_Ir)
```

```
print("Classification Report")
print(classification_report(y_test,yPred_lr))
#printing the train accuracy and test accuracy respectively
logreg(x_train,x_test,y_train,y_test)
#importing and building the Decision tree model
det decisiontree(x_train,x_test,y_train,y_test):
  dtc = DecisionTreeClassifier(criterion="entropy",random_state=0)
  dtc.fit(x_train,y_train)
  y_dt_tr - dtc.predict(x_train)
  print(accuracy_score(y_dt_tr,y_train))
  yPred_dt = dtc.predict(x_test)
  print(accuracy_score(yPred_dt,y_test))
  print("***Decision Tree***")
  print("Confusion Matrix")
  print(confusion_matrix(y_test,yPred_dt))
  print("Classification Report")
  print(classification_reort(y_test,yPred_dt))
#printing the train accuracy and test accuracy respectively
decisionTree(x_train,x_test,y_train,y_test)
```

```
#importing and building the random forest model
def RandomFrest(x_train,x_test,y_train,y_test):
 rf = RandomForestClassifier(criterion="entropy",n_estimators=10,random_state=0)
  rf.fit(x_train,y_train)
  y_rf_tr = rf.predict(x_train)
  print(accuracy_score(y_rf_tr,y_train))
  yPred_rf = rf.predict(x_test)
  print(accuracy_score(yPred_rf,y_test))
  print("***Random Forest***")
  print("Classification Reprt")
  print(classification_report(y_test,yPred_rf))
#printing the train accuracy and test accurac respectively
RandomForest(x_train,x_test,y_train,y_test)
#importing and building the KNN model
def KNN(x_train,x_test,y_train,y_test):
  knn = KNeighborsClassifier()
```

```
knn.fit(x_train,y_train)
  y_knn_tr = knn.predict(x_train)
  print(accuracy_score(y_knn_tr,y_train))
  yPred_knn = knn.predict(x_test)
  print(accuracy_score(yPred_knn,y_test))
  print("***KNN***")
  print("Confusion_Matrix")
  print(confusion_matrix(y_test,yPred_knn))
  print("Classification Report")
  print(classification_report(y_test,yPred_knn))
#printing the train accuracy and test accuracy respectively
KNN(x_train,x_test,y_train,y_test)
#importing and building the random forest model
def svm(x_train,x_test,y_train,y_test):
  svm = SVC(kernel = "linear")
  svm.fit(x_train,y_train)
  y_svm_tr = svm.predict(x_train)
  print(accuracy_score(y_svm_tr,y_train))
  yPred_svm = svm.predict(x_test)
  print(accuracy_score(yPred_svm,y_test))
```

```
print("***Support Vector Machine***")
  print("Confusion Matrix")
  print(confusion_matrix(y_test,yPred_svm))
  print("Classification_report(y_test,yPred_svm))
#printing the train accuracy and test accuracy respectively
svm(x_train,x_test,y_train,y_test)
#importing the keras libraries and packages
import keras
from keras.models import Sequential
from keras.layers import Dense
# Initialising the ANN
classifier = Sequential()
# Adding the input layer and the first hidden layer
classifier.add(Dense(units=30, activation='relu', input dim=40))
# Adding the second hidden layer
classifier.add(Dense(units=30, activation='relu'))
```

```
# Adding the output layer
classifier.add(Dense(units=1, activation='sigmoid'))
# Compiling the ANN
classifier.compile(optimizer='adam', loss='binary crossentropy', metrix=['accuracy'])
#Fitting the ANN to the Training set
model history = classifier.fit(x train,y train,batch size=10,validation split=0.33,epochs=200)
print(accuracy_score(ann_pred,y_test))
print("***ANN Model***")
print("Confusion Matrix")
print(confusion matrix(y test,ann pred))
print("classification Report")
print(classification_report(y_test,ann_pred))
#testing on random input values
Ir = LogisticRegression(random state=0)
lr.fit(x_train,y_train)
print("Predicting on random input")
Ir pred own =
,0,3245,4567]]))
print("output is: ",lr pred own)
```

```
#testing on random input values
dtc = DecisionTreeClassifier(criterion="entropy",random state=0)
dtc.fit(x train,y-train)
print("Predicting on random input")
dtc pred own =
,1,0,3245,4567]]))
print("output is: ",dtc pred own)
#testing on random input values
rf = RandomforestClassifier(criterion="entropy",n_estimation=10,random_state=0)
rf.fit(x_train,y_train)
print("Predicting on random input")
rf pred own =
,0,3245,4567]]))
print("output is: ",rf pred own)
#testing on random input values
svc = SVC(kernel = "inear")
svc.fit(x_train,y_train)
print("Predicting on random input")
svm_pred_own =
1,0,3245,4567]]))
print("output is: ",svm pred own)
```

```
#testing on random input values
knn = KNeighborsCassifier()
knn.fit(x_train,y_train)
print("Predicting on random input")
knn_pred_own =
,1,0,3245,4567]]))
print("output is: ",knn_pred_own)
#testing on random input values
print("Predicting on random input")
ann_pred_own =
0,456,1,0,3245,4567]]))
print(ann_pred_own)
ann_pred_own = (ann_pred_own>0.5)
print("output is: ",ann_pred_own)
def compareModel(X_train,X_test,y_train,y_test)
 logreg(x_train,x_test,y_train,y_test)
 print('-'*100)
 decisionTree(X_train,X_test,y_train,y_test)
 print('-'*100)
```

```
RandomForest(X_train,X_test,y_train,y_test)
  print('-'*100)
  svm(X_train,X_test,y_train,y_test)
  print('-'*100)
  KNN(X_train,X_test,y_train,y_test)
  print('-'*100)
compareModel(x_train,x_test,y_train,y_test)
print(accuracy_score(ann_pred,y_test))
print("***ANN Model***")
print("Confusion_Matrix")
print(confusion_matrix(y_test,ann_pred))
print("Classification Report")
print(classification_report(y_test,ann_pred))
y_rf = model.predict(x_train)
print(accuracy_score(y_rf,y_train))
yPred_rfcv = model.predict(x_test)
print(accurcy_score(yPred_rfcv,y_test))
print("***Random Forest after Hyperparameter tuning***")
```

```
print("Confusion_Matrix")
print(confusion_matrix(y_test,yPred_rfcv))
print("Classification Report")
print(classification_report(y_test,yPred_rfcv))
print("Predicting on random input")
rfcv_pred_own =
456,1,0,3245,4567]]))
print("output is: ",rfcv_pred_own)
classifier.save("telcom churn.h5")
from flask import Flask, render_template, request
import keras
from keras.models import load_model
app = Flask(__name__)
model = load_model("telcom_churn.h5")
@app.route('/') # rendering the html template
```

```
def home():
return render_template('home.html')
@app.route('/')
def helloworld():
  return render_template("base.html")
@app.route('/assesment')
def prediction():
  return render_template("index.html")
@app.route('/predict', methods = ['POST'])
def admin():
  a= request.form["gender"]
 if (a == 'f'):
    a=0
 if (a == 'm'):
    a=1
  b= request.form["srcitizen"]
  if (b =='n'):
    b=0
 if (b == 'y'):
    b=1
  c= request.form["partner"]
 if (c =='n'):
```

```
c=0
if (c == 'y'):
  c=1
d= request.form["dependents"]
if (d =='n'):
  d=0
if (d == 'y'):
  d=1
e= request.form["tenure"]
f= request.form["phservices"]
if (f =='n'):
  f=0
if (f == 'y'):
  f=1
g= request.form["multi"]
if (g =='n'):
 g1,g2,g3=1,0,0
if (g =='nps'):
  g1,g2,g3=0,1,0
if (g =='y'):
  g1,g2,g3=0,0,1
h= request.form["is"]
if (h =='dsl'):
 h1,h2,h3=1,0,0
```

```
if (h =='fo'):
  h1,h2,h3=0,1,0
if (h =='n'):
  h1,h2,h3=0,0,1
i= request.form["os"]
if (i =='n'):
 i1,i2,i3=1,0,0
if (i =='nis'):
  n1,n2,n3=0,1,0
if (i =='y'):
  i1,i2,i3=0,0,1
j= request.form["ob"]
if (j =='n'):
 j1,j2,j3=1,0,0
if (j =='nis'):
  j1,j2,j3=0,1,0
if (j =='y'):
  j1,j2,j3=0,0,1
k= request.form["dp"]
if (k =='n'):
 k1,k2,k3=1,0,0
if (k =='nis'):
  k1,k2,k3=0,1,0
if (k =='y'):
```

```
k1,k2,k3=0,0,1
l= request.form["ts"]
if (I =='n'):
 11,12,13=1,0,0
if (I =='nis'):
  11,12,13=0,1,0
if (I =='y'):
  11,12,13=0,0,1
m= request.form["stv"]
if (m =='n'):
 m1,m2,m3=1,0,0
if (m =='nis'):
  m1,m2,m3=0,1,0
if (m == 'y'):
  m1,m2,m3=0,0,1
n= request.form["smv"]
if (n =='n'):
 n1,n2,n3=1,0,0
if (n =='nis'):
  n1,n2,n3=0,1,0
if (n =='y'):
  n1,n2,n3=0,0,1
o= request.form["contract"]
if (o =='mtm'):
```

```
01,02,03=1,0,0
if (o =='oyr'):
  01,02,03=0,1,0
if (o =='tyrs'):
  01,02,03=0,0,1
p= request.form["pmt"]
if (p =='ec'):
 p1,p2,p3,p4=1,0,0,0
if (p =='mail'):
  p1,p2,p3,p4=0,1,0,0
if (p =='bt'):
  p1,p2,p3,p4=0,0,1,0
if (p == 'cc'):
  p1,p2,p3,p4=0,0,0,1
q= request.form["plb"]
if (q =='n'):
q= request.form["plb"]
if (q == 'n'):
  q=0
if (q == 'y'):
  q=1
r= request.form["mcharges"]
s= request.form["tcharges"]
```

t = [[int(g1), int(g2), int(g3), int(h1), int(h2), int(h3), int(i1), int(i2), int(i3), int(j1), int(j2), int(j3), int(k1), int(k2), int(k3), int(l1), int(l2), int(m3), int(m3), int(m1), int(m2), int(m3), int(m2), int(m3), int

```
print(t)
x = model.predict(t)
print(x[0])
if (x[[0]] <= 0.5):
    y="No"
    return render_template(predno.html", z = y)

if (x[[0]] >= 0.5):
    y = "Yes"
    return render_template("predyes.html", z = y)
```