

# **SYRIATEL CUSTOMER CHURN PREDICTION STRATEGIES.**

Strategic Insights for Boosting Revenue and Enhancing  
Customer Retention



# UNDERSTANDING CUSTOMER CHURN

Analyzing its impact on business performance and market position

## ■ Definition of Customer Churn

- Customer Churn refers to when customers stop doing business with us and switch to competitors, significantly affecting our bottom line.

## ■ Cost impact of Churn

- Acquiring new customers costs 5-25 times more than retaining existing ones, emphasising the need for effective retention strategies.

## ■ Revenue Loss

- Each churned customer represents lost monthly recurring revenue, stressing the importance of understanding and mitigating churn.

## ■ Market Share Consequences

- High churn rates signal competitive disadvantages, potentially leading to reduced market share and brand reputation.

## ■ Growth Limitations

- High churn creates a 'leaky bucket' effect on business growth, making it vital to implement strong retention strategies.



# PREDICTIVE ANALYTICS ADVANTAGE

## ENHANCING CUSTOMER RETENTION STRATEGIES

### Early Warning System

Our **Early Warning System** identifies churn risk up to 30 days in advance, allowing for timely intervention.

### Data-Driven Decisions

Replace guesswork with **scientific precision** through thorough data analysis for informed decision-making.

### Proactive Customer Care

Gain a **competitive edge** by implementing proactive strategies for customer care over reactive competitors.



# EVALUATING MODEL PERFORMANCE

ANALYSING PREDICTIVE METRICS FOR CUSTOMER RETENTION STRATEGIES

ROC-AUC Score

85%+

Indicates **excellent** predictive performance of our **Gradient Boosting** model.

Precision

High

Demonstrates **high accuracy** in identifying **true churn risks** among customers.

Recall

Majority

Ensures that a **majority of at-risk customers** are accurately **identified**.



# IDENTIFYING THE CHURN DRIVERS

## 1. Total Charges(45%)

Elevated Monthly Bills are the Most Significant Predictor of Customer Churn, Highlighting the Necessity for Pricing Strategies.

## 2. Customer Service Calls(12%)

Frequent Service Interactions Indicate Customer Frustration, Emphasizing the Need for Enhancements in Support Services.

## 3. Voicemail Usage Patterns(8%)

Changes in communication behaviour may indicate service issues, allowing for early intervention.



# STRATEGIC RECOMMENDATIONS FOR RETENTION

Implement actionable strategies to reduce customer churn effectively

## 1. Implement Billing-Based Retention

Set Up Automated Alerts for Customers with High Bills to Proactively Mitigate Potential Churn Risks.

## 2. Transform Customer Service Operations

Train service representatives to identify and flag at-risk customers during interactions, enhancing retention efforts.

## 3. Deploy Real-Time Risk Monitoring

Utilize a daily dashboard to monitor high-risk customers, allowing for immediate and effective intervention.



# CHURN REDUCTION ROADMAP

Strategic phases for retention success

## Next30Days

### Phase 1 - Immediate Wms

Target **high-risk** customers  
with **personalised** campaigns  
to quickly enhance retention.

## Next90Days

### Phase 2 - Systematic Prevention

Implement **automated monitoring**  
for the **top churn drivers** identified  
in initial analysis.

## Next180 Days

### Phase 3 - Competitive Advantage

Develop comprehensive  
**customer lifetime value**  
**models** to inform long-  
term strategy.



# Business Impact of Retention Strategies

Enhancing revenue and optimising costs through effective customer retention practices.

## Revenue Protection

Prevent **churn-related revenue loss** by implementing proactive retention strategies that keep customers engaged and satisfied.

## Cost Optimization

Reduce unnecessary **retention spending** by accurately targeting resources towards customers most likely to churn, ensuring maximum efficiency.

## Market Share

Maintain a competitive position through superior **customer retention**, allowing for sustained growth and increased market presence.



# LET'S TAKE ACTION ON RETENTION

Any Questions?