CUSTOMER CHURN PREDICTION MODEL AND ANALYSIS IN TELECOMMUNICATIONS

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Summary

Customer churn rate is a critical performance indicator for subscription-based businesses like the telecommunications industry. The telecommunications company in this report would like to know in advance which of their customers will churn in the near future and would like recommendations for strategies to reduce the likelihood that these customers churn. Statistical analysis and data mining techniques were employed in conjunction with the dataset provided by the company to build three different predictive models for customer churn, using the Naïve Bayes, J48 Decision Tree, and Random Forest algorithms. These models were then tested against the same test dataset, yielding accuracies of 82.7%, 93.9%, and 96.9% respectively. The model generated by the Random Forest algorithm was ultimately selected based on the criteria of having the lowest False Positive Rate, 0.7% compared to 19.3% and 1.6% for the Naïve Bayes and J48 Decision Tree models respectively. In addition to classification, the dataset was divided into clusters of relevant customer attributes and behaviours and association rules were generated to determine the characteristics of customers likely to churn. The analysis of the predictive model shows that customers likely to churn fall into three main clusters based on the overall accumulation of charges and calls to customer service. The recommendations include the company responding proactively to offer retention packages to each cluster of customers before they contact customer service, with each package custom-tailored to increase the evening minutes, day minutes, and international or voicemail plan availability.

Workload Distribution

Member Name	All group members worked collaboratively on all parts of the project, with a slight emphasis on:
Mina Akhlaghi	Data preparation, predictive modeling, data visualization, post- prediction analysis, report writing, presentation.
Sanaz Eghbali	Data cleaning, sample balancing and selection, attribute selection, conclusions and recommendations, presentation.
Edward Speicher	Attribute selection, predictive modeling, post-prediction analysis, report writing, presentation.

Data Preparation

We started our analysis by understanding the dataset by looking at the attribute types, attribute summaries, and checking for any missing values. This was done by opening the CSV file in both MS Excel and Weka. As shown in FIGURE 1; we observed 21 attributes with two types: categorical and numerical, and no missing values. FIGURE 2 demonstrates the histograms for attributes' distribution. For better data visualization we decided to discretize Account Length, Area Code, Number of voicemail messages, Day/Evening/Night/Int calls, and Number of Customer Service Calls. We could also see that Phone Number is a unique identifier for every entry and will not allow any generalization, so it can be dropped from our analysis.

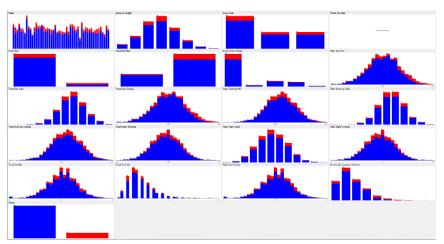
print(data.info())

```
<class 'pandas.core.frame.DataFrame'>
RangeIndex: 3333 entries, 0 to 3332
Data columns (total 21 columns):
State
                  3333 non-null object
                  3333 non-null int64
Account Length
Area Code
                  3333 non-null int64
Phone
                  3333 non-null object
Int'l Plan
                  3333 non-null object
VMail Plan
                  3333 non-null object
VMail Message
                  3333 non-null int64
Day Mins
                  3333 non-null float64
Day Calls
                  3333 non-null int64
Day Charge
                  3333 non-null float64
Eve Mins
                  3333 non-null float64
Eve Calls
                  3333 non-null int64
Eve Charge
                  3333 non-null float64
Night Mins
                  3333 non-null float64
Night Calls
                  3333 non-null int64
Night Charge
                  3333 non-null float64
Intl Mins
                  3333 non-null float64
Intl Calls
                  3333 non-null int64
Intl Charge
                  3333 non-null float64
CustServ Calls
                  3333 non-null int64
Churn
                  3333 non-null bool
dtypes: bool(1), float64(8), int64(8), object(4)
memory usage: 524.1+ KB
```

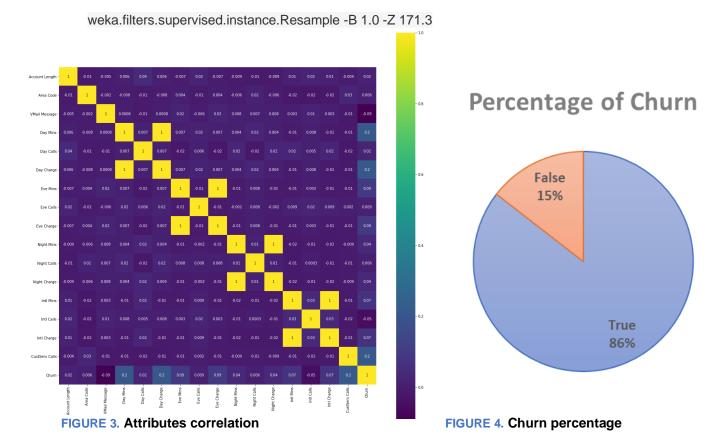
FIGURE 1. Data types and summary

	Account	Day	Day	Day	Eve	Eve	Eve	Night	Night	Night	Intl	Intl	Intl
	Length	Mins	Calls	Charge									
count	3333	3333	3333	3333	3333	3333	3333	3333	3333	3333	3333	3333	3333
mean	101.0	179.7	100.4	30.56	200.9	100.1	17.08	200.8	100.1	9.04	10.24	4.48	2.76
std	39.82	54.47	20.07	9.26	50.71	19.92	4.31	50.57	19.57	2.28	2.79	2.46	0.75
min	1	0	0	0	0	0	0	23.2	33	1.04	0	0	0
25%	74	143.7	87	24.43	166.6	87	14.16	167	87	7.52	8.5	3	2.3
50%	101	179.4	101	30.5	201.4	100	17.12	201.2	100	9.05	10.3	4	2.78
75%	127	216.4	114	36.79	235.3	114	20	235.3	113	10.59	12.1	6	3.27
max	243	350.8	165	59.64	363.7	170	30.91	395	175	17.77	20	20	5.4

FIGURE 2. Attributes distribution



When we looked at the correlation of attributes as shown in FIGURE 3, we found high correlations between several attributes and Churn, our class attribute for the dataset. This high correlation of explanatory variables is an indication of multicollinearity and since all Calls and Mins are subsets of Charges, we dropped all Calls and Mins and used Charges instead. Similarly, Voicemail Plan was chosen over Number of Voicemail messages and Area Code was chosen over State. As one of our goals is to create a prediction model for customers likely to churn, we also investigated the percentage of instances where Churn was TRUE. This was found to be only 14.5%, as shown in FIGURE 4. Though a relatively high churn rate by modern industry standards (Canadian telecommunications companies routinely boast monthly churn rates of about 1-2%) and an obvious problem for the company in this instance, this low percentage is an indication of an imbalanced dataset and makes churned customers the minority class by a fair margin. To overcome this issue for the purpose of generating a predictive algorithm, we used the resample filter in Weka to simulate the Oversampling technique, which duplicates random records from the minority class. This oversampling allowed us to have more instances which reflected the minority class in the data sample used to train and test the different predictive algorithms selected.



Our next step was the selection of the appropriate attributes for our analysis. Attribute selection is vital for selecting the most relevant features of a dataset. In Weka, we used the Correlation Attributes Ranking Filter and Information Gain techniques to aid in attribute selection. In our investigation of the churn dataset, we selected only the top 5 features, each having high ranking values in the results of both techniques. Two machine learning methods were used for attribute selection to acquire the most relevant attributes; Information Gain entropy was used in decreasing order and Correlation Attributes Ranking Filter technique was used for selecting a subset of relevant features. The attribute ranking was employed to identify the factors and

hidden patterns in data that are the main reasons of customers churning. The ranking values of Information Gain and Correlation Attributes Ranking Filter are shown in TABLE1 below. Since International Plan and International Charge functionally represent the same feature, Inter Plan was chosen due to its higher correlation ranking.

Attributes Account Length Area Code	Correlation Attributes Ranking Values 0.01654 0.00514	Information Gain Ranking Values 0 0.0000383
Inter Plan	0.25985	0.0368789
VoiceMail Plan	0.10215	0.0082165
No of Vmail Mesgs	0.08973	0.0082165
Total Day Charge	0.20515	0.0773975
Total Evening Charge	0.09279	0.0054209
Total Night Charge	0.0355	0
Total Int Charge	0.06826	0.0067401
No of Calls Customer Service	0.20875	0.0500934

TABLE 1. Attributes selection

Finally, with our attributes of interest selected, we conducted an investigation into outliers and extreme values for each. Using the InterquartileRange filter in Weka, we found that the only variable in the dataset that contained outliers or extreme values was the Number of Customer Service Calls. This makes sense as the histogram for the distribution of this variable is clearly skewed as can be seen clearly in the final frame of FIGURE 2. Though the higher number of customer service calls might be considered outliers and therefore could be considered to have an outsized influence on the results of the analysis, we also had to consider that this was one of the variables with the highest correlation with customer churn. By eliminating the instances with the highest values in the Number of Customer Service Calls, we would also inadvertently eliminate many of our instances where the value of Churn was TRUE. Since this dataset is already imbalanced, we did not want to move such a large chunk of out minority class instances if we could help it. We decided to run our predictive model generation twice, once on the data with outliers removed and once with them left in. All three algorithms selected, Naïve Bayes, J48 Decision Tree, and Random Forest, were better able to identify customers likely to churn based on the dataset with these Customer Service Call outliers left in.

Predictive Modeling (Classification)

As far as our class attribute is concerned, there are two types of customers in our dataset, the non-churn customers and churn customers. The proposed models target churn customers and attempts to identify the reasons behind their classification. Three machine learning techniques were used for classifying customers' data to assess which of the algorithms best classifies the customers into the churn and non-churn categories. The detailed accuracy of each method is shown in TABLE 2 below.

TABLE 2. Accuracy of various algorithms

Method	TP Rate	FP Rate	Precision	Recall	F-measure	ROC area
Naïve Bayes	82%	18%	82%	82%	82%	86%
Decision Tree	97%	3%	96%	97%	96%	95%
Random Forest	98.5%	1.5%	98.5%	98.5%	98.5%	99%

Naïve Bayes:

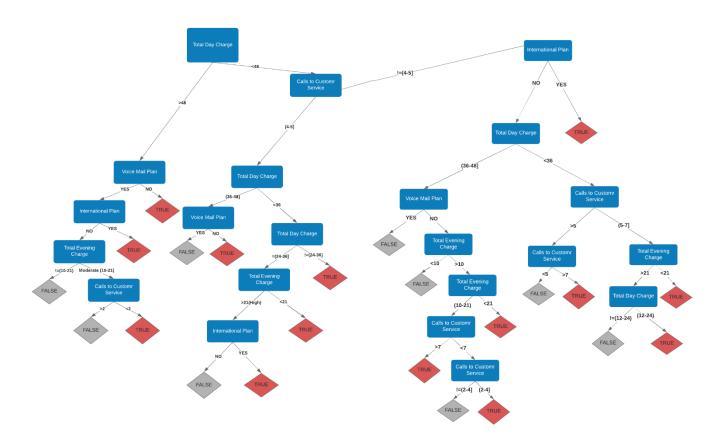
The Naïve Bayes classification algorithm was performed and evaluated using 10-fold cross validation on the entire dataset. The accuracy of the algorithm was found to be 82% but the Recall was also only 82%. This means that the possibility of a type II error was still quite high using this approach. Almost 20% of the time, a customer with a high probability of churn is incorrectly classified by the model as not likely to churn. Since we are interested primarily in correctly classifying customers likely to churn, and since this rate is comparatively high compared to the other resulting models, this model would likely not be best suited to our purposes.

Decision Tree (J48):

The Decision Tree classification algorithm was the second method used to construct a predictive model for classifying customers likely to churn. Using 10-fold Cross-Validation, a predictive model was constructed that resulted in a fairly high accuracy of 96% and an impressive recall of 99%. Furthermore, if we look into ROC Area and see that this model was able to distinguish 95% of the dataset correctly between customer churn and non-churn.

In order to build a clean Decision Tree in Weka, the numeric attributes were discretized into intervals, 10-fold Cross-Validation binary splits set to true. The tree generated using this approach can be visualized as seen in FIGURE 5 below.

FIGURE 5. Decision Tree (J48)

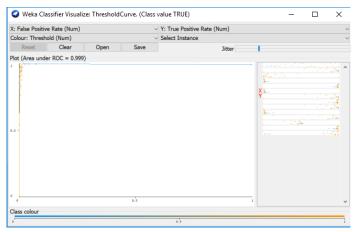


Random Forest:

Finally, a Random Forest classification algorithm was used to create a third predictive model. This model achieved the highest accuracy of the three at 98% with the 10-fold Cross-Validation. The sensitivity rate concluded that 100% of churn customers were correctly classified and the specificity rate concluded that 96% of non-churn customers were accurately classified. ROC Area was at its highest of the three models at 99%, as was F-measure at 98%.

Random Forest can handle nonlinear data efficiently and performs better if correlated features exist in the data. This method generates a series of decision trees using multiple algorithms, then averages the predicted results of each tree to obtain the overall prediction for each instance. In this instance the multiple, random decision trees of a Random Forest allowed for a more precise prediction model and produced more accurate predictive results.

FIGURE 6. Random Forest Threshold curve



We see that we fall under the excellent band ROC= .999 for the current model.

Ultimately, in order to compare and select the best classification model for our purposes, we needed to test each of our predictive models against the same test set. For this, we ran each of the models against the original dataset, without the oversampling present in the data used to construct the models. This was done in order to ensure we had not selected a model that had been designed to overfit our training sample data. TABLE 3 below represents the findings of the accuracy measures for each model using the same test set.

TABLE 3. Accuracy of models with test set

Method	TP Rate	FP Rate	Precision	Recall	F-measure	ROC area
Naïve Bayes	82.7%	19.3%	88.7%	82.7%	84.5%	86.1%
Decision Tree	93.9%	1.6%	95.6%	93.9%	94.3%	97.5%
Random Forest	96.9%	0.7%	97.5%	96.9%	97.1%	99.9%

Post-predictive Analysis

In order to determine which types of customers the company would benefit the most from targeting with retention strategies, we had to group the customers into similar clusters using the data on hand. Customer clusters are therefore used to partition the customers' data into groups based on their behavior information and their relationships. Additionally, we are only interested in the customers that churn, as this is the group we wish to target with retention strategies, so we partitioned the data by removing all the instances where Churn was FALSE. Then, we used the K-means technique on these remaining churn-only customers to segment the data into different groups, as shown in FIGURE 7 and used real-valued data to find a relationship and reveal patterns in the data which belong to one class.

Although not highly correlated to finding patterns in customer churn originally, to better understand the real-world business problem of when customers are leaving, we added the Account Length attribute to our cluster analysis. With 8 bins representing the month of the account, we can see that 70% of churn happens between 3-5 months and 62% of churn happens within 0-2 calls to customer service

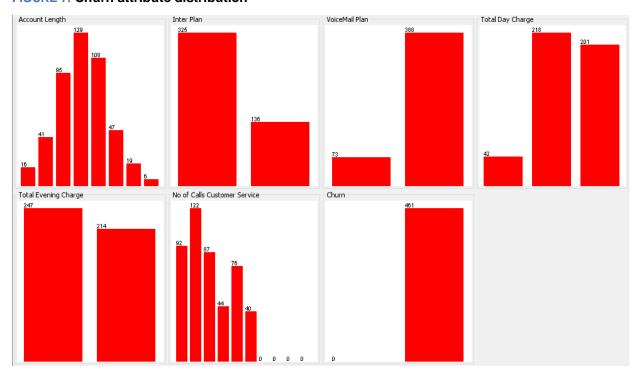


FIGURE 7. Churn attribute distribution

We tested the K-means technique with 5 cluster numbers ranging from 2-6, as shown FIGURE 8. After careful observation of the Within cluster sum of squared errors, we decided to use K as 3 for the k-means algorithm to segment the data into three groups. The results are displayed in TABLE 4 below.

Attribute	Cluster 1	Cluster 2	Cluster3
Account Length (months)	4	3	5
Inter Plan	No	Yes	No
Voicemail Plan	No	No	No
Total Day Charge	>40	(20-40]	(20-40]
Total Evening Charge	>18	>18	<18
No of Calls Customer Service	1	1	4

TABLE 4. K-means cluster centroids

FIGURE 9 shows that of our resulting clusters, cluster 1 and cluster 3 have the highest rates of customer churn at 53% and 26% respectively. These two clusters are more valuable to the company to maximize the profit by retaining them. It's interesting to see that the customers in both of these clusters have no Voice mail or International Plan. We know that 70% of churn happens between 3-5 months and it drops to 15% after 6-7 months. We also know that 29% of customers are unlikely to churn if they have a Voicemail plan; this is perhaps an opportunity to offer one-or more months of complementary Voicemail or International plan service within the 3rd month of the customer's plan. Although this might not be effective due to other reasons

customers choose to select these features at the outset of setting up their accounts that are not accounted for in this dataset, such as the need to keep in touch with family or business contacts in other countries or time zones, this could also prove to be an effective way to retain these customers.

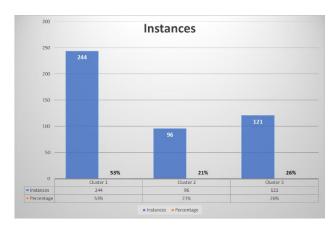


FIGURE 8. K-means cluster analysis

1050

1000 950

850 800 Optimal number of clusters

FIGURE 9. Cluster instance analysis

In order to get a better visualization of our clusters behaviour and characteristics we segmented Day Charges by Low, Medium, High and Evening Charges by Low and High, shown in FIGURE 10. We then segmented our clusters' probability of churn based on the customers' spending in FIGURE 11.

FIGURE 10. Charges churn rate

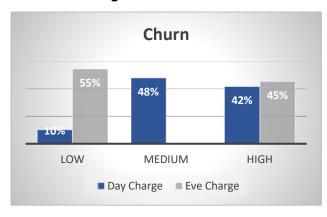
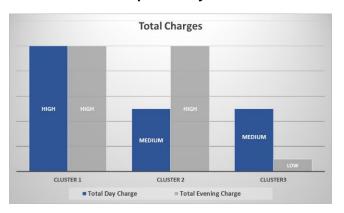
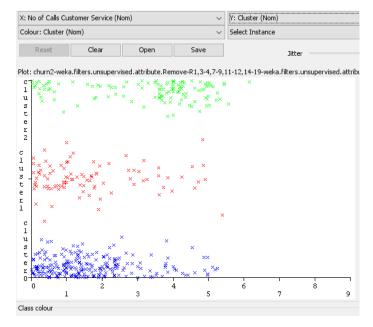


FIGURE 11. Clusters probability of Churn



To explore the number of customer service calls we visualized k-means clusters in FIGURE 12. As we can see 62% (0-2 calls) of churn lies within cluster 1 (Blue) and 24% (4-5 calls) within cluster 3 (Green).

FIGURE 12. Customer Service calls clusters



Next, we created customer profiles based on the behaviour they exhibited through the k-means algorithm to create retention policies for our recommendations, shown in TABLE 5.

TABLE 5. Customer profiles

Customer Profile	Churn Probability	Cluster
VIP		
4 months	HIGH	1
1 Customer service call		
AVERAGE-VALUE		
5 MONTHS	HIGH	3
4 Customer service calls		
HIGH-VALUE		
3 months	MEDIUM	2
 International Plan 		
1 Customer service call		

Even though, cluster 1 and 3 have a high probability of churn, cluster 2 represents high-value customers, which is vital to the company's revenue stream, and efforts should also be made to retain this class. In order to create patterns based on our observations and finalize our recommendations we applied association rules with multiple support and confidence values using the Apriori algorithm in Weka. TABLE 6 shows the outcomes of the most frequent and logical patterns.

TABLE 6. Association rules

1	High Day Charge/Inter Plan=no/Voicemail Plan=no ==> Churn=TRUE 159 <conf:(1)></conf:(1)>
2	Medium Day Charge/High Evening Charge ==> Churn=TRUE 140 <conf:(1)></conf:(1)>
3	High Day Charge/ High Evening Charge/Voicemail Plan=no ==> Churn=TRUE 117 <conf:(0.97)></conf:(0.97)>
4	High Day Charge/No of Calls Customer Service=1/Voicemail Plan=no ==> Churn=TRUE 63 <conf:(0.93)></conf:(0.93)>
5	High Day Charge/No of Calls Customer Service=0/Voicemail Plan=no ==> Churn=TRUE 47 <conf:(0.98)></conf:(0.98)>
6	Account Length=Month 4/High Day Charge/Voicemail Plan=no ==> Churn=TRUE 50 <conf:(0.96)></conf:(0.96)>
7	Account Length=Month 3/High Day Charge/Voicemail Plan=no ==> Churn=TRUE 47 <conf:(0.96)></conf:(0.96)>
8	Inter Plan=no/Medium Day Charge ==> Churn=TRUE 133 <conf:(1)></conf:(1)>
9	Account Length=Month 5 ==> Churn=TRUE 108 <conf:(1)></conf:(1)>

As can be seen, the probability of churn for customers without Voicemail and International plans and high value customers with voice mail and international plans is very high, so we can craft our recommendations around customers with no Voicemail or International Plan. Another pattern detected is the association between high value customers and the number of customer service calls.

Associations 2 and 3 above confirm the high churn probability for these high value customers and associations 4 and 5 confirm the high churn rate for customers service calls between 0-1. This can be interpreted as a sign to the company that it is necessary to act proactively, and make the customers an offer before the customers contact the customer service department themselves. This can be implemented in time using the pattern detected by association 6, high churn rate for high value customers during month 4. Finally, associations 6, 7, and 9 confirm our earlier observation that high churn is observed during the period of time from months of 3-5.

Conclusion and Recommendations

The customers most likely to churn can be broadly divided into three main clusters by overall charges incurred. The customers in each cluster exhibit slightly different behaviours when it comes to their tendency to contact the customer service department, what services they choose to subscribe to, and their typical account length before they churn. Because of this, each group can be dealt with using a custom-tailored approach to retention to meet the needs of these customers the best, without overspending by providing services the customers in that cluster are unlikely to require in order to be retained. Additionally, it should be noted that efforts at customer retention should likely be targeted at and designed to keep customers subscribed up until the sixth month of service, as the data shows a sharp drop off point for customer churn beyond this threshold. As such, our recommendations are aimed largely at getting existing customers to this point in their account length.

Strategies:

- Express customer service department for selected customers' profile
- > Three Retention Packages tailored specifically for each individual profile

Rules:

Rule 1: If Account Length >= 4 & Day Charge >= 40 & Evening Charge >= 18 & VM =No & Inter

Plan = No

THEN Class A: VIP

Rule 2: If Account Length >= 5 & Day Charge >= (20-40] & Evening Charge < 18 & Calls >= 4 &

VM =No & Inter Plan = No

THEN Class B: AVG

Rule 3: If Account Length >= 3 & Day Charge >= (20-40] & Evening Charge >= 18 & Calls >= 1

& VM =No & Inter Plan = No

THEN Class C: High

1. Class A: VIP

- I. This class identifies the highest spenders or the VIP sector. These are the people who require lots of attention and love! When they contact customer service, they should transfer to the express line, so their problem is solved as soon as possible. The representatives should be notified by the system that the customer calling is classified as VIP and must respond according to the VIP script provided by the company.
- II. Month 4 has the highest churn rate for this customer group and retention efforts must be maximized during this period. Tailored packages have proven very successful for subscription-based business models and fit our criteria in this instance. The VIP Package offers high day and evening minutes, with a complementary offer of two months of either Voicemail or International Plan, customer's choice. The key here is to increase the customer lifetime value to 6 months, and as evident in our data customers are less likely to churn after 6 months.

2. Class B: AVG

- I. This classifies the average-spending customers. They've been with the company for 5 months, complain often and are unhappy with their service. Since this group are frequent complainers, and 4 customer service calls has a high probability of churn, Class B should also be recognized by the system and transferred to the express line.
- II. As shown in TABLE 6, Association 2, the probability of churn for average value customers is high. we know that 70% of churn happens between 3-5 months, so in order to increase the CLV for this class, we offer them the Discount Package. This includes discounted Evening minutes with a complementary offer of one month of either Voicemail or International Plan, customer's choice.

3. Class C: High

- I. This class has a medium probability of churn but are also part of our high-value customer sector, since the probability of churn in terms of customer service is high during 0-1 calls, they will also be transferred to the express line for a better service experience.
- II. This segment could benefit from the Business Package; High Day and Evening minutes + Voicemail or International plan at a fixed price.

The provision of these packages tailored for each identified class should help reduce churn to a great extent. The tailored nature of the solutions on offer is also an aid to cost overruns, as a blanket solution of a discount package to get customers to the 6-month mark might have. As identification of a customer's cluster can be done easily by classifying their account data, this should be done automatically at fixed intervals and attempts to retain customers should be done proactively by a representative of the company reaching out to them instead of waiting for the customer to contact customer service to complain.

Finally, it is of interest that this dataset largely represents the situation of major Canadian telecom companies in the past decade or so, and that the strategies and recommendations derived from our analysis closely mirrors the real world tactics that were employed by most of the major companies in question over the past several years. The move away from individual minutes, a division between daytime, evening, and night time calling, and additional charges for international or long-distance calling that has occurred across the board with these major telecommunications firms are all supported here by the data analysis tools and predictive algorithms used. It is, in effect, an excellent case study in the way data can be and has been used to make informed business decisions.

Appendix A: Attribute Selection

=== Run information === Evaluator: weka.attributeSelection.CorrelationAttributeEval weka.attributeSelection.Ranker -T -1.7976931348623157E308 -N -1 Search: Relation: churn2 Instances: 3333 Attributes: 10 Account Length Area Code Inter Plan VoiceMail Plan **Total Day Charge Total Evening Charge Total Night Charge Total Int Charge** No of Calls Customer Service Churn Evaluation mode: evaluate on all training data === Attribute Selection on all input data === Search Method: Attribute ranking. Attribute Evaluator (supervised, Class (nominal): 10 Churn): **Correlation Ranking Filter** Ranked attributes: 0.25985 3 Inter Plan 0.20875 9 No of Calls Customer Service 0.20515 5 Total Day Charge 0.10215 4 VoiceMail Plan 0.09279 6 Total Evening Charge 0.06826 8 Total Int Charge 0.0355 7 Total Night Charge 0.01654 1 Account Length 0.00514 2 Area Code Selected attributes: 3,9,5,4,6,8,7,1,2:9

=== Run information === Evaluator: weka.attributeSelection.InfoGainAttributeEval weka.attributeSelection.Ranker -T -1.7976931348623157E308 -N -1 Search: Relation: churn2 Instances: 3333 Attributes: 10 Account Length Area Code Inter Plan VoiceMail Plan **Total Day Charge Total Evening Charge Total Night Charge** Total Int Charge No of Calls Customer Service Churn Evaluation mode: evaluate on all training data === Attribute Selection on all input data === Search Method: Attribute ranking. Attribute Evaluator (supervised, Class (nominal): 10 Churn): Information Gain Ranking Filter Ranked attributes: 0.0773975 5 Total Day Charge

Selected attributes: 5,9,3,4,8,6,2,7,1:9

7 Total Night Charge

1 Account Length

0.0500934 9 No of Calls Customer Service

0.0368789 3 Inter Plan
 0.0082165 4 VoiceMail Plan
 0.0067401 8 Total Int Charge
 0.0054209 6 Total Evening Charge

0.0000383 2 Area Code

0

Appendix B: Predictive Modeling

MODEL: NaiveBayes / Cross Validation

=== Run information ===

Scheme: weka.classifiers.bayes.NaiveBayes

Relation: churn2-weka.filters.supervised.instance.Resample-B1.0-S1-Z171.0

Instances: 5698 Attributes: 6 Inter Plan

> VoiceMail Plan Total Day Charge Total Evening Charge

No of Calls Customer Service

Churn

Test mode: 10-fold cross-validation

=== Classifier model (full training set) ===Naive Bayes Classifier

Class

Attribute FALSE TRUE

(0.5) (0.5)

Inter Plan

no 2705.0 2058.0 yes 146.0 793.0 [total] 2851.0 2851.0

VoiceMail Plan

yes 836.0 495.0 no 2015.0 2356.0 [total] 2851.0 2851.0

Total Day Charge

mean 29.9568 34.9613 std. dev. 8.2951 11.5223 weight sum 2849 2849 precision 0.0425 0.0425

Total Evening Charge

mean 17.0236 17.945 std. dev. 4.3546 4.3068 weight sum 2849 2849 precision 0.0252 0.0252

No of Calls Customer Service

mean 1.4556 2.3155 std. dev. 1.1977 1.9017 weight sum 2849 2849

precision 1 1

Time taken to build model: 0.02 seconds

=== Stratified cross-validation ===== Summary ===

Correctly Classified Instances 4653 81.6602 % Incorrectly Classified Instances 1045 18.3398 %

Kappa statistic 0.6332

Mean absolute error 0.3305

Root mean squared error 0.3896

Relative absolute error 66.1042 %

Root relative squared error 77.9238 %

Total Number of Instances 5698

=== Detailed Accuracy By Class ===

TP Rate FP Rate Precision Recall F-Measure MCC ROC Area PRC Area Class 0.837 0.204 0.804 0.837 0.820 0.634 0.862 0.839 FALSE 0.796 0.163 0.830 0.796 0.813 0.634 0.862 0.843 TRUE Weighted Avg. 0.817 0.183 0.817 0.817 0.817 0.634 0.862 0.841

=== Confusion Matrix ===

a b <-- classified as 2384 465 | a = FALSE 580 2269 | b = TRUE

Naïve Bayes TEST

=== Run information ===

Scheme: weka.classifiers.misc.InputMappedClassifier -I -trim -W weka.classifiers.bayes.NaiveBayes

Relation: churn2-weka.filters.supervised.instance.Resample-B1.0-S1-Z171.0

Instances: 5698
Attributes: 6
Inter Plan
VoiceMail Plan
Total Day Charge
Total Evening Charge

No of Calls Customer Service

Churn

Test mode: user supplied test set: size unknown (reading incrementally)

=== Classifier model (full training set) ===

InputMappedClassifier:
Naive Bayes Classifier

Class

Attribute FALSE TRUE

(0.5) (0.5)

Inter Plan

no 2705.0 2058.0 yes 146.0 793.0 [total] 2851.0 2851.0

VoiceMail Plan

yes 836.0 495.0 no 2015.0 2356.0 [total] 2851.0 2851.0

Total Day Charge

mean 29.9568 34.9613 std. dev. 8.2951 11.5223 weight sum 2849 2849 precision 0.0425 0.0425

Total Evening Charge

mean 17.0236 17.945 std. dev. 4.3546 4.3068 weight sum 2849 2849 precision 0.0252 0.0252

No of Calls Customer Service

mean 1.4556 2.3155 std. dev. 1.1977 1.9017 weight sum 2849 2849

precision 1 1

Attribute mappings:

(nominal) Inter Plan --> 5 (nominal) Inter Plan

(nominal) VoiceMail Plan
 (numeric) Total Day Charge
 (numeric) Total Evening Charge
 --> 10 (numeric) Total Day Charge
 --> 13 (numeric) Total Evening Charge

(numeric) No of Calls Customer Service --> 20 (numeric) No of Calls Customer Service

(nominal) Churn --> 21 (nominal) Churn

Time taken to build model: 0 seconds

=== Evaluation on test set ===

Time taken to test model on supplied test set: 10.68 seconds

=== Summary ===

Correctly Classified Instances 2755 82.6583 % Incorrectly Classified Instances 578 17.3417 %

Kappa statistic0.4753Mean absolute error0.3422Root mean squared error0.3939Relative absolute error68.4306 %Root relative squared error78.7823 %

Total Number of Instances 3333

=== Detailed Accuracy By Class ===

TP Rate FP Rate Precision Recall F-Measure MCC ROC Area PRC Area Class 0.831 0.197 0.961 0.831 0.891 0.508 0.861 0.966 FALSE 0.803 0.169 0.445 0.803 0.573 0.508 0.861 0.514 TRUE Weighted Avg. 0.827 0.193 0.887 0.827 0.845 0.508 0.861 0.900

=== Confusion Matrix === a b <-- classified as 2367 483 | a = FALSE 95 388 | b = TRUE

```
MODEL: RANDOMFOREST/ CROSS VALIDATION/
```

```
=== Run information ===
```

Scheme: weka.classifiers.trees.RandomForest -P 100 -I 100 -num-slots 1 -K 0 -M 1.0 -V 0.001 -S 1

Relation: churn2-weka.filters.supervised.instance.Resample-B1.0-S1-Z171.0

Instances: 5698
Attributes: 6
Inter Plan
VoiceMail Plan
Total Day Charge
Total Evening Charge

No of Calls Customer Service

Churn

Test mode: 10-fold cross-validation

=== Classifier model (full training set) ===

RandomForest

Bagging with 100 iterations and base learner

weka.classifiers.trees.RandomTree - K 0 - M 1.0 - V 0.001 - S 1 - do-not-check-capabilities

Time taken to build model: 0.57 seconds

=== Stratified cross-validation ===

=== Summary ===

Correctly Classified Instances 5610 98.4556 % Incorrectly Classified Instances 88 1.5444 %

Kappa statistic 0.9691
Mean absolute error 0.0357
Root mean squared error 0.1122
Relative absolute error 7.1418 %
Root relative squared error 22.4479 %

Total Number of Instances 5698

=== Detailed Accuracy By Class ===

TP Rate FP Rate Precision Recall F-Measure MCC ROC Area PRC Area Class 0.969 0.000 1.000 0.969 0.984 0.970 0.999 0.999 FALSE 1.000 0.031 0.970 1.000 0.985 0.970 0.999 0.998 TRUE

Weighted Avg. 0.985 0.015 0.985 0.985 0.985 0.970 0.999 0.999

=== Confusion Matrix ===

a b <-- classified as 2762 87 | a = FALSE 1 2848 | b = TRUE

RANDOMFOREST TEST

=== Run information ===

weka.classifiers.misc.InputMappedClassifier -I -trim -W weka.classifiers.trees.RandomForest Scheme:

-- -P 100 -I 100 -num-slots 1 -K 0 -M 1.0 -V 0.001 -S 1

Relation: churn2-weka.filters.supervised.instance.Resample-B1.0-S1-Z171.0

Instances: 5698 Attributes: 6

Inter Plan **Total Evening Charge**

VoiceMail Plan No of Calls Customer Service

Total Day Charge Churn

Test mode: user supplied test set: size unknown (reading incrementally)=== Classifier model (full

training set) ===

InputMappedClassifier:

RandomForest

Bagging with 100 iterations and base learner

weka.classifiers.trees.RandomTree -K 0 -M 1.0 -V 0.001 -S 1 -do-not-check-capabilities

Attribute mappings:

Model attributes Incoming attributes

(nominal) Inter Plan --> 5 (nominal) Inter Plan

--> 6 (nominal) VoiceMail Plan (nominal) VoiceMail Plan (numeric) Total Day Charge --> 10 (numeric) Total Day Charge (numeric) Total Evening Charge --> 13 (numeric) Total Evening Charge

(numeric) No of Calls Customer Service --> 20 (numeric) No of Calls Customer Service

(nominal) Churn --> 21 (nominal) Churn

Time taken to build model: 0.57 seconds

=== Evaluation on test set ===

Time taken to test model on supplied test set: 10.2 seconds

=== Summary ===

Correctly Classified Instances 3231 96.9397 % 102 3.0603 % Incorrectly Classified Instances

0.8863 Kappa statistic Mean absolute error 0.055 Root mean squared error 0.1508 Relative absolute error 11.0039 % Root relative squared error 30.1693 % **Total Number of Instances** 3333

=== Detailed Accuracy By Class ===

ROC Area PRC Area Class TP Rate FP Rate Precision Recall F-Measure MCC 0.965 0.002 1.000 0.965 0.982 0.892 0.999 1.000 FALSE 0.998 0.892 TRUE 0.035 0.827 0.998 0.904 0.999 0.997

Weighted Avg. 0.969 0.007 0.975 0.969 0.971 0.892 0.999 1.000

=== Confusion Matrix ===

a b <-- classified as

2749 101 | a = FALSE

1 482 | b = TRUE

MODEL: DT J48/ 10-fold Cross-Validation

=== Run information ===

Scheme: weka.classifiers.trees.J48 -C 0.25 -M 2

Relation: churn2-weka.filters.supervised.instance.Resample-B1.0-S1-Z171.0

Instances: 5698
Attributes: 6
Inter Plan
VoiceMail Plan
Total Day Charge
Total Evening Charge

No of Calls Customer Service

Churn

Test mode: 10-fold cross-validation=== Classifier model (full training set) ===

J48 pruned tree

Time taken to build model: 0.07 seconds=== Stratified cross-validation ===

=== Summary ===

Correctly Classified Instances 5507 96.6479 % Incorrectly Classified Instances 191 3.3521 %

Kappa statistic 0.933

Mean absolute error 0.0438

Root mean squared error 0.1753

Relative absolute error 8.7511 %

Root relative squared error 35.0511 %

Total Number of Instances 5698

=== Detailed Accuracy By Class ===

TP Rate FP Rate Precision Recall F-Measure MCC ROC Area PRC Area Class 0.942 0.009 0.990 0.942 0.966 0.934 0.978 0.984 FALSE 0.991 0.058 0.945 0.991 0.967 0.934 0.978 0.956 TRUE

Weighted Avg. 0.966 0.034 0.968 0.966 0.966 0.934 0.978 0.970

=== Confusion Matrix ===

a b <-- classified as 2685 164 | a = FALSE 27 2822 | b = TRUE

```
J48-TEST
```

=== Run information ===

Scheme: weka.classifiers.misc.InputMappedClassifier -I -trim -W weka.classifiers.trees.J48 -- -C 0.25 -

M 2

Relation: churn2-weka.filters.supervised.instance.Resample-B1.0-S1-Z171.0

Instances: 5698 Attributes: 6

Inter Plan Total Evening Charge

VoiceMail Plan No of Calls Customer Service

Total Day Charge Churn
Test mode: user supplied test set: size unknown (reading incrementally)

=== Classifier model (full training set) ===InputMappedClassifier:

J48 pruned tree

Attribute mappings:

Model attributes Incoming attributes

(nominal) Inter Plan --> 5 (nominal) Inter Plan

(nominal) VoiceMail Plan --> 6 (nominal) VoiceMail Plan (numeric) Total Day Charge (numeric) Total Evening Charge --> 13 (numeric) Total Evening Charge

(numeric) No of Calls Customer Service --> 20 (numeric) No of Calls Customer Service

(nominal) Churn --> 21 (nominal) Churn

Time taken to build model: 0.09 seconds

=== Evaluation on test set ===

Time taken to test model on supplied test set: 3.41 seconds

=== Summary ===

Correctly Classified Instances 3129 93.8794 % Incorrectly Classified Instances 204 6.1206 %

Kappa statistic 0.789

Mean absolute error 0.0601

Root mean squared error 0.2313

Relative absolute error 12.0229 %

Root relative squared error 46.2593 %

Total Number of Instances 3333 === Detailed Accuracy By Class ===

TP Rate FP Rate Precision Recall F-Measure MCC ROC Area PRC Area Class

0.929 0.006 0.999 0.929 0.963 0.806 0.975 0.995 FALSE 0.994 0.071 0.705 0.994 0.825 0.806 0.975 0.782 TRUE

Weighted Avg. 0.939 0.016 0.956 0.939 0.943 0.806 0.975 0.964

=== Confusion Matrix ===

a b <-- classified as 2649 201 | a = FALSE 3 480 | b = TRUE

Appendix C: K-Means Clustering

```
=== Run information ===
Scheme:
            weka.clusterers.SimpleKMeans -init 0 -max-candidates 100 -periodic-pruning 10000 -min-
density 2.0 -t1 -1.25 -t2 -1.0 -N 2 -A "weka.core.EuclideanDistance -R first-last" -I 500 -num-slots 1 -S 10
Relation: churn2-weka.filters.unsupervised.attribute.Remove-R1,3-4,7-9,11-12,14-19-
weka.filters.unsupervised.attribute.Discretize-Y-B8-M-1.0-Rfirst-precision0-
weka.filters.unsupervised.instance.RemoveWithValues-S0.0-Clast-Lfirst-
weka.filters.unsupervised.attribute.NumericToNominal-R6-
weka.filters.unsupervised.instance.RemoveWithValues-S0.0-C6-L7,8,9,10-
weka.filters.unsupervised.attribute.Discretize-B2-M-1.0-R5-precision0-
weka.filters.unsupervised.attribute.Discretize-B3-M-1.0-R4-precision0
Instances: 461
Attributes: 7
       Account Length
       Inter Plan
       VoiceMail Plan
       Total Day Charge
       Total Evening Charge
       No of Calls Customer Service
       Churn
Test mode: evaluate on training data
=== Clustering model (full training set) ===kMeans=====
Number of iterations: 4
Within cluster sum of squared errors: 1012.0
Initial starting points (random):
Cluster 0: \\'B4of8\\'',no,no,'\\'(20-40]\\'','\\'(18-inf)\\'',0,TRUE
Cluster 1: '\'B3of8\'',yes,yes,'\'(40-inf)\'','\'(18-inf)\'',1,TRUE
Missing values globally replaced with mean/mode
Final cluster centroids:
                         Cluster#
Attribute
                      Full Data
                                     0
                   (461.0) (287.0) (174.0)
Account Length
                           'B4of8'
                                    'B4of8'
                                              'B3of8'
Inter Plan
                         no
                                  no
                                          no
VoiceMail Plan
                             no
                                     no
                                             no
                          '(20-40]' '(20-40]' '(40-inf)'
Total Day Charge
Total Evening Charge
                          '(-inf-18]' '(-inf-18]' '(18-inf)'
No of Calls Customer Service
                                   1
                                                  1
                                          0
Churn
                        TRUE
                                 TRUE
                                           TRUE
Time taken to build model (full training data): 0 seconds
=== Model and evaluation on training set ===
Clustered Instances
    287 (62%)
    174 (38%)
```

=== Run information ===

Scheme: weka.clusterers.SimpleKMeans -init 0 -max-candidates 100 -periodic-pruning 10000 -mindensity 2.0 -t1 -1.25 -t2 -1.0 -N 3 -A "weka.core.EuclideanDistance -R first-last" -I 500 -num-slots 1 -S 10

Relation: churn2-weka.filters.unsupervised.attribute.Remove-R1,3-4,7-9,11-12,14-19-

we ka. filters. unsupervised. attribute. Discretize-Y-B8-M-1.0-R first-precision 0-10-R f

weka.filters.unsupervised.instance.RemoveWithValues-S0.0-Clast-Lfirst-

weka.filters.unsupervised.attribute.NumericToNominal-R6-

weka.filters.unsupervised.instance.RemoveWithValues-S0.0-C6-L7,8,9,10-weka.filters.unsupervised.attribute.Discretize-B2-M-1.0-R5-precision0-weka.filters.unsupervised.attribute.Discretize-B3-M-1.0-R4-precision0

Instances: 461 Attributes: 7

Account Length Total Evening Charge

Inter Plan No of Calls Customer Service

VoiceMail Plan Churr

Total Day Charge

Test mode: evaluate on training data=== Clustering model (full training set) ===kMeans=====

Number of iterations: 4

Within cluster sum of squared errors: 936.0

Initial starting points (random):

Cluster 0: '\'B4of8\'',no,no,'\'(20-40]\'','\'(18-inf)\'',0,TRUE Cluster 1: '\'B3of8\'',yes,yes,'\'(40-inf)\'','\'(18-inf)\'',1,TRUE

Cluster 2: '\'B5of8\'',no,no,'\'(20-40]\'','\'(-inf-18]\'',0,TRUE

Missing values globally replaced with mean/mode

Final cluster centroids:

Cluster#

Attribute	Full Data	0	1	2
	(461.0)	(244.0)	(96.0)	(121.0)
=======================================	=======	:======	======	=======
Account Length	'B4of8'	'B4of8'	'B3of8'	'B5of8'
Inter Plan	no	no	yes	no
VoiceMail Plan	no	no	no	no
Total Day Charge	'(20-40]'	'(40-inf)'	'(20-40)]' '(20-40]'
Total Evening Charge	'(-inf-18]'	'(18-inf)'	'(18-inf)' '(-inf-18]'
No of Calls Customer Service	1	1	1	4
Churn	TRUE	TRUE	TRUE	TRUE

Time taken to build model (full training data): 0 seconds

=== Model and evaluation on training set ===

Clustered Instances

- 0 244 (53%)
- 1 96 (21%)
- 2 121 (26%)

```
=== Run information ===
           weka.clusterers.SimpleKMeans -init 0 -max-candidates 100 -periodic-pruning 10000 -min-
density 2.0 -t1 -1.25 -t2 -1.0 -N 4 -A "weka.core.EuclideanDistance -R first-last" -I 500 -num-slots 1 -S 10
Relation: churn2-weka.filters.unsupervised.attribute.Remove-R1,3-4,7-9,11-12,14-19-
weka.filters.unsupervised.attribute.Discretize-Y-B8-M-1.0-Rfirst-precision0-
weka.filters.unsupervised.instance.RemoveWithValues-S0.0-Clast-Lfirst-
weka.filters.unsupervised.attribute.NumericToNominal-R6-
weka.filters.unsupervised.instance.RemoveWithValues-S0.0-C6-L7,8,9,10-
weka.filters.unsupervised.attribute.Discretize-B2-M-1.0-R5-precision0-
weka.filters.unsupervised.attribute.Discretize-B3-M-1.0-R4-precision0
Instances: 461
Attributes: 7
       Account Length
                                                             Total Evening Charge
       Inter Plan
                                                             No of Calls Customer Service
       VoiceMail Plan
                                                             Churn
       Total Day Charge
Test mode: evaluate on training data=== Clustering model (full training set) ===kMeans=====
Number of iterations: 3
Within cluster sum of squared errors: 898.0
Initial starting points (random):
Cluster 0: '\'B4of8\'',no,no,'\'(20-40]\'','\'(18-inf)\'',0,TRUE
Cluster 1: '\'B3of8\'',yes,yes,'\'(40-inf)\'','\'(18-inf)\'',1,TRUE
Cluster 2: '\'B5of8\'',no,no,'\'(20-40]\'','\'(-inf-18]\'',0,TRUE
Cluster 3: '\'B7of8\'',no,no,'\'(40-inf)\'','\'(-inf-18]\'',2,TRUE
Missing values globally replaced with mean/mode
Final cluster centroids:
                        Cluster#
Attribute
                     Full Data
                                   0
                                          1
                                                 2
                                                        3
                  (461.0) (183.0)
                                     (80.0) (120.0)
                                                        (78.0)
_______
                                   'B4of8'
Account Length
                         'B4of8'
                                            'B3of8'
                                                     'B5of8'
                                                               'B4of8'
Inter Plan
                        no
                                no
                                        yes
                                                no
                                                        no
VoiceMail Plan
                           no
                                   no
                                                   no
                                           no
Total Day Charge
                         '(20-40]' '(20-40]' '(40-inf)' '(20-40]' '(40-inf)'
Total Evening Charge
                         '(-inf-18]' '(18-inf)' '(18-inf)' '(-inf-18]' '(-inf-18]'
No of Calls Customer Service
                                 1
                                         1
                                                1
                                                      0
                                                              2
Churn
                       TRUE
                                TRUE
                                         TRUE
                                                  TRUE
                                                            TRUE
Time taken to build model (full training data): 0 seconds
```

Time taken to build model (full training data): 0 seconds === Model and evaluation on training set ===

Clustered Instances

```
0 183 (40%)
```

- 1 80 (17%)
- 2 120 (26%)
- 3 78 (17%)

```
=== Run information ===
           weka.clusterers.SimpleKMeans -init 0 -max-candidates 100 -periodic-pruning 10000 -min-
density 2.0 -t1 -1.25 -t2 -1.0 -N 5 -A "weka.core.EuclideanDistance -R first-last" -I 500 -num-slots 1 -S 10
Relation: churn2-weka.filters.unsupervised.attribute.Remove-R1,3-4,7-9,11-12,14-19-
weka.filters.unsupervised.attribute.Discretize-Y-B8-M-1.0-Rfirst-precision0-
weka.filters.unsupervised.instance.RemoveWithValues-S0.0-Clast-Lfirst-
weka.filters.unsupervised.attribute.NumericToNominal-R6-
weka.filters.unsupervised.instance.RemoveWithValues-S0.0-C6-L7,8,9,10-
weka.filters.unsupervised.attribute.Discretize-B2-M-1.0-R5-precision0-
weka.filters.unsupervised.attribute.Discretize-B3-M-1.0-R4-precision0
Instances: 461
Attributes: 7
       Account Length
                                                             Total Evening Charge
       Inter Plan
                                                             No of Calls Customer Service
       VoiceMail Plan
       Total Day Charge
Test mode: evaluate on training data=== Clustering model (full training set) ===kMeans=====
Number of iterations: 3
Within cluster sum of squared errors: 841.0
Initial starting points (random):
Cluster 0: '\'B4of8\'',no,no,'\'(20-40]\'','\'(18-inf)\'',0,TRUE
Cluster 1: '\'B3of8\'',yes,yes,'\'(40-inf)\'','\'(18-inf)\'',1,TRUE
Cluster 2: '\'B5of8\'',no,no,'\'(20-40]\'','\'(-inf-18]\'',0,TRUE
Cluster 3: '\'B7of8\'',no,no,'\'(40-inf)\'','\'(-inf-18]\'',2,TRUE
Cluster 4: '\'B4of8\'',no,no,'\'(20-40]\'','\'(-inf-18]\'',4,TRUE
Missing values globally replaced with mean/mode
Final cluster centroids:
                        Cluster#
Attribute
                     Full Data
                                   0
                                          1
                                                 2
                                                        3
                                                               4
                  (461.0) (174.0) (72.0) (101.0)
                                                        (48.0)
                                                                (66.0)
_______
===========
Account Length
                         'B4of8'
                                   'B4of8'
                                            'B3of8'
                                                     'B5of8'
                                                               'B4of8'
                                                                        'B4of8'
Inter Plan
                                no
                                        yes
                                                        no
                                                                no
VoiceMail Plan
                           no
                                   no
                                           no
                                                  no
                                                          no
                                                                  no
Total Day Charge
                         '(20-40]' '(40-inf)' '(40-inf)' '(20-40]' '(40-inf)' '(20-40]'
Total Evening Charge
                         '(-inf-18]' '(18-inf)' '(18-inf)' '(-inf-18]' '(-inf-18]' '(-inf-18]'
No of Calls Customer Service
                                  1
                                         0
                                                1
                                                       0
                                                              2
```

Time taken to build model (full training data): 0 seconds=== Model and evaluation on training set ===

TRUE

TRUE

TRUE

TRUE

Clustered Instances

TRUE

TRUE

```
0 174 (38%)
```

Churn

^{1 72 (16%)}

^{2 101 (22%)}

^{3 48 (10%)}

^{4 66 (14%)}

```
=== Run information ===
           weka.clusterers.SimpleKMeans -init 0 -max-candidates 100 -periodic-pruning 10000 -min-
density 2.0 -t1 -1.25 -t2 -1.0 -N 6 -A "weka.core.EuclideanDistance -R first-last" -I 500 -num-slots 1 -S 10
Relation: churn2-weka.filters.unsupervised.attribute.Remove-R1,3-4,7-9,11-12,14-19-
weka.filters.unsupervised.attribute.Discretize-Y-B8-M-1.0-Rfirst-precision0-
weka.filters.unsupervised.instance.RemoveWithValues-S0.0-Clast-Lfirst-
weka.filters.unsupervised.attribute.NumericToNominal-R6-
weka.filters.unsupervised.instance.RemoveWithValues-S0.0-C6-L7,8,9,10-
weka.filters.unsupervised.attribute.Discretize-B2-M-1.0-R5-precision0-
weka.filters.unsupervised.attribute.Discretize-B3-M-1.0-R4-precision0
Instances: 461
Attributes: 7
       Account Length
                                                            Total Evening Charge
       Inter Plan
                                                             No of Calls Customer Service
       VoiceMail Plan
       Total Day Charge
Test mode: evaluate on training data=== Clustering model (full training set) ===kMeans=====
Number of iterations: 3
Within cluster sum of squared errors: 784.0
Initial starting points (random):
Cluster 0: '\'B4of8\'',no,no,'\'(20-40]\'','\'(18-inf)\'',0,TRUE
Cluster 1: '\'B3of8\'',yes,yes,'\'(40-inf)\'','\'(18-inf)\'',1,TRUE
Cluster 2: '\'B5of8\'',no,no,'\'(20-40]\'','\'(-inf-18]\'',0,TRUE
Cluster 3: '\'B7of8\'',no,no,'\'(40-inf)\'','\'(-inf-18]\'',2,TRUE
Cluster 4: '\'B4of8\'',no,no,'\'(20-40]\'','\'(-inf-18]\'',4,TRUE
Cluster 5: '\'B4of8\'',yes,yes,'\'(20-40]\'','\'(18-inf)\'',3,TRUE
Missing values globally replaced with mean/mode
Final cluster centroids:
                        Cluster#
                     Full Data
Attribute
                                   0
                                                 2
                                                        3
                                                                      5
                                          1
                  (461.0) (187.0) (45.0)
                                                       (46.0)
                                                               (57.0)
                                              (94.0)
                                                                        (32.0)
______
_____
                         'B4of8'
                                                                                 'B4of8'
Account Length
                                   'B4of8'
                                            'B3of8'
                                                     'B5of8'
                                                              'B4of8'
                                                                        'B4of8'
Inter Plan
                        no
                                no
                                       yes
                                                no
                                                        no
                                                               no
                                                                       yes
VoiceMail Plan
                           no
                                   no
                                           no
                                                   no
                                                          no
                                                                  no
                                                                         yes
Total Day Charge
                         '(20-40]' '(40-inf)' '(40-inf)' '(20-40]' '(40-inf)' '(20-40]' '(20-40]'
                         '(-inf-18]' '(18-inf)' '(18-inf)' '(-inf-18]' '(-inf-18]' '(-inf-18]'
Total Evening Charge
No of Calls Customer Service
                                                       0
                                  1
                                         1
                                                1
                                                              2
                                                                     4
                                                                           3
Churn
                      TRUE
                                TRUE
                                         TRUE
                                                  TRUE
                                                            TRUE
                                                                     TRUE
                                                                              TRUE
Time taken to build model (full training data): 0 seconds=== Model and evaluation on training set ===
Clustered Instances
    187 (41%)
    45 (10%)
1
2
    94 (20%)
3
    46 (10%)
4
    57 (12%)
```

32 (7%)

Appendix D: Association Rules

```
=== Run information ===
Scheme:
            weka.associations.Apriori -N 30 -T 0 -C 0.9 -D 0.05 -U 1.0 -M 0.1 -S -1.0 -c -1
Relation: churn2-weka.filters.unsupervised.attribute.Remove-R1,4,7-9,11-12,14-19-
weka.filters.unsupervised.attribute.NumericToNominal-R7-
weka.filters.unsupervised.instance.RemoveWithValues-S0.0-Clast-Lfirst-
weka.filters.unsupervised.instance.RemoveWithValues-S0.0-C7-L7-last-
weka.filters.unsupervised.attribute.Discretize-Y-B8-M-1.0-Rfirst-precision0-
weka.filters.unsupervised.attribute.Discretize-B2-M-1.0-R6-precision0-
weka.filters.unsupervised.attribute.Discretize-B3-M-1.0-R5-precision0-
weka.filters.unsupervised.attribute.Remove-R2
Instances: 461
Attributes: 7
       Account Length
       Inter Plan
       VoiceMail Plan
       Total Day Charge
       Total Evening Charge
       No of Calls Customer Service
       Churn
=== Associator model (full training set) ===Apriori======
Minimum support: 0.25 (115 instances)
Minimum metric <confidence>: 0.9
Number of cycles performed: 15
Generated sets of large itemsets:
Size of set of large itemsets L(1): 10
Size of set of large itemsets L(2): 20
Size of set of large itemsets L(3): 15
Size of set of large itemsets L(4): 4
Best rules found:
1. VoiceMail Plan=no 388 ==> Churn=TRUE 388 <conf:(1)> lift:(1) lev:(0) [0] conv:(0)
2. Inter Plan=no 325 ==> Churn=TRUE 325 <conf:(1)> lift:(1) lev:(0) [0] conv:(0)
3. Inter Plan=no VoiceMail Plan=no 287 ==> Churn=TRUE 287 <conf:(1)> lift:(1) lev:(0) [0] conv:(0)
4. Total Evening Charge='(-inf-18]' 247 ==> Churn=TRUE 247 <conf:(1)> lift:(1) lev:(0) [0] conv:(0)
5. Total Day Charge='(20-40]' 218 ==> Churn=TRUE 218 <conf:(1)> lift:(1) lev:(0) [0] conv:(0)
6. Total Evening Charge='(18-inf)' 214 ==> Churn=TRUE 214 <conf:(1)> lift:(1) lev:(0) [0] conv:(0)
7. Total Day Charge='(40-inf)' 201 ==> Churn=TRUE 201 <conf:(1)> lift:(1) lev:(0) [0] conv:(0)
8. VoiceMail Plan=no Total Evening Charge='(-inf-18]' 200 ==> Churn=TRUE 200 <conf:(1)> lift:(1)
lev:(0) [0] conv:(0)
9. VoiceMail Plan=no Total Day Charge='(40-inf)' 193 ==> Churn=TRUE 193 <conf:(1)> lift:(1) lev:(0) [0]
10. VoiceMail Plan=no Total Evening Charge='(18-inf)' 188 ==> Churn=TRUE 188 <conf:(1)> lift:(1)
lev:(0) [0] conv:(0)
11. Inter Plan=no Total Evening Charge='(-inf-18]' 166 ==> Churn=TRUE 166 <conf:(1)> lift:(1) lev:(0) [0]
12. Inter Plan=no Total Day Charge='(40-inf)' 161 ==> Churn=TRUE 161 <conf:(1)> lift:(1) lev:(0) [0]
conv:(0)
```

- 13. VoiceMail Plan=no Total Day Charge='(20-40]' 161 ==> Churn=TRUE 161 <conf:(1)> lift:(1) lev:(0) [0] conv:(0)
- 14. Inter Plan=no Total Evening Charge='(18-inf)' 159 ==> Churn=TRUE 159 <conf:(1)> lift:(1) lev:(0) [0] conv:(0)
- 15. Inter Plan=no VoiceMail Plan=no Total Day Charge='(40-inf)' 159 ==> Churn=TRUE 159 <conf:(1)> lift:(1) lev:(0) [0] conv:(0)
- 16. Inter Plan=no VoiceMail Plan=no Total Evening Charge='(18-inf)' 146 ==> Churn=TRUE 146 <conf:(1)> lift:(1) lev:(0) [0] conv:(0)
- 17. Inter Plan=no VoiceMail Plan=no Total Evening Charge='(-inf-18]' 141 ==> Churn=TRUE 141 <conf:(1)> lift:(1) lev:(0) [0] conv:(0)
- 18. Total Day Charge='(20-40]' Total Evening Charge='(-inf-18]' 140 ==> Churn=TRUE 140 <conf:(1)> lift:(1) lev:(0) [0] conv:(0)
- 19. Inter Plan=yes 136 ==> Churn=TRUE 136 <conf:(1)> lift:(1) lev:(0) [0] conv:(0)
- 20. Inter Plan=no Total Day Charge='(20-40]' 133 ==> Churn=TRUE 133 <conf:(1)> lift:(1) lev:(0) [0] conv:(0)
- 21. Account Length='B4of8' 129 ==> Churn=TRUE 129 <conf:(1)> lift:(1) lev:(0) [0] conv:(0)
- 22. No of Calls Customer Service=1 122 ==> Churn=TRUE 122 <conf:(1)> lift:(1) lev:(0) [0] conv:(0)
- 23. Total Day Charge='(40-inf)' Total Evening Charge='(18-inf)' 121 ==> Churn=TRUE 121 <conf:(1)> lift:(1) lev:(0) [0] conv:(0)
- 24. VoiceMail Plan=no Total Day Charge='(40-inf)' Total Evening Charge='(18-inf)' 117 ==> Churn=TRUE 117 <conf:(1)> lift:(1) lev:(0) [0] conv:(0)
- 25. Inter Plan=no Total Day Charge='(40-inf)' 161 ==> VoiceMail Plan=no 159 <conf:(0.99)> lift:(1.17) lev:(0.05) [23] conv:(8.5)
- 26. Inter Plan=no Total Day Charge='(40-inf)' Churn=TRUE 161 ==> VoiceMail Plan=no 159 <conf:(0.99)> lift:(1.17) lev:(0.05) [23] conv:(8.5)
- 27. Inter Plan=no Total Day Charge='(40-inf)' 161 ==> VoiceMail Plan=no Churn=TRUE 159 <conf:(0.99)> lift:(1.17) lev:(0.05) [23] conv:(8.5)
- 28. Total Day Charge='(40-inf)' Total Evening Charge='(18-inf)' 121 ==> VoiceMail Plan=no 117 <conf:(0.97)> lift:(1.15) lev:(0.03) [15] conv:(3.83)
- 29. Total Day Charge='(40-inf)' Total Evening Charge='(18-inf)' Churn=TRUE 121 ==> VoiceMail Plan=no
117 <conf:(0.97)> lift:(1.15) lev:(0.03) [15] conv:(3.83)
- 30. Total Day Charge='(40-inf)' Total Evening Charge='(18-inf)' 121 ==> VoiceMail Plan=no Churn=TRUE

 117 <conf:(0.97)> lift:(1.15) lev:(0.03) [15] conv:(3.83)

```
=== Run information ===
            weka.associations.Apriori -N 40 -T 0 -C 0.3 -D 0.5 -U 1.0 -M 0.1 -S 0.5 -c -1
Relation: churn2-weka.filters.unsupervised.attribute.Remove-R1,4,7-9,11-12,14-19-
weka.filters.unsupervised.attribute.NumericToNominal-R7-
weka.filters.unsupervised.instance.RemoveWithValues-S0.0-Clast-Lfirst-
weka.filters.unsupervised.instance.RemoveWithValues-S0.0-C7-L7-last-
weka.filters.unsupervised.attribute.Discretize-Y-B8-M-1.0-Rfirst-precision0-
weka.filters.unsupervised.attribute.Discretize-B2-M-1.0-R6-precision0-
weka.filters.unsupervised.attribute.Discretize-B3-M-1.0-R5-precision0-
weka.filters.unsupervised.attribute.Remove-R2
Instances: 461
Attributes: 7
       Account Length
       Inter Plan
       VoiceMail Plan
       Total Day Charge
       Total Evening Charge
       No of Calls Customer Service
       Churn
=== Associator model (full training set) ===Apriori======
Minimum support: 0.1 (46 instances)
Minimum metric <confidence>: 0.3
Significance level: 0.5
Number of cycles performed: 2
Generated sets of large itemsets:
Size of set of large itemsets L(1): 17
Size of set of large itemsets L(2): 69
Size of set of large itemsets L(3): 87
Size of set of large itemsets L(4): 39
Size of set of large itemsets L(5): 5
Best rules found:
1. Inter Plan=no Total Day Charge='(40-inf)' Total Evening Charge='(-inf-18]' 60 ==> VoiceMail Plan=no
60 <conf:(1)> lift:(1.19) lev:(0.02) [9] conv:(9.5)
2. Inter Plan=no Total Day Charge='(40-inf)' Total Evening Charge='(-inf-18]' 60 ==> VoiceMail Plan=no
Churn=TRUE 60 <conf:(1)> lift:(1.19) lev:(0.02) [9] conv:(9.5)
3. Inter Plan=no Total Day Charge='(40-inf)' Total Evening Charge='(-inf-18]' Churn=TRUE 60 ==>
VoiceMail Plan=no 60 <conf:(1)> lift:(1.19) lev:(0.02) [9] conv:(9.5)
4. Inter Plan=no Total Day Charge='(40-inf)' 161 ==> VoiceMail Plan=no 159 <conf:(0.99)> lift:(1.17)
lev:(0.05) [23] conv:(8.5)
5. Inter Plan=no Total Day Charge='(40-inf)' 161 ==> VoiceMail Plan=no Churn=TRUE 159 <conf:(0.99)>
lift:(1.17) lev:(0.05) [23] conv:(8.5)
6. Inter Plan=no Total Day Charge='(40-inf)' Churn=TRUE 161 ==> VoiceMail Plan=no 159 <conf:(0.99)>
lift:(1.17) lev:(0.05) [23] conv:(8.5)
7. Inter Plan=no No of Calls Customer Service=0 53 ==> VoiceMail Plan=no 52 <conf:(0.98)> lift:(1.17)
lev:(0.02) [7] conv:(4.2)
8. Inter Plan=no No of Calls Customer Service=0 53 ==> VoiceMail Plan=no Churn=TRUE 52
<conf:(0.98)> lift:(1.17) lev:(0.02) [7] conv:(4.2)
```

- 9. Inter Plan=no No of Calls Customer Service=0 Churn=TRUE 53 ==> VoiceMail Plan=no 52 <conf:(0.98)> lift:(1.17) lev:(0.02) [7] conv:(4.2)
- 10. Inter Plan=no Total Day Charge='(40-inf)' No of Calls Customer Service=1 51 ==> VoiceMail Plan=no conf:(0.98)> lift:(1.16) lev:(0.02) [7] conv:(4.04)
- 11. Inter Plan=no Total Day Charge='(40-inf)' No of Calls Customer Service=1 51 ==> VoiceMail Plan=no Churn=TRUE 50 <conf:(0.98)> lift:(1.16) lev:(0.02) [7] conv:(4.04)
- 12. Inter Plan=no Total Day Charge='(40-inf)' No of Calls Customer Service=1 Churn=TRUE 51 ==> VoiceMail Plan=no 50 <conf:(0.98)> lift:(1.16) lev:(0.02) [7] conv:(4.04)
- 13. Inter Plan=no Total Day Charge='(40-inf)' Total Evening Charge='(18-inf)' 101 ==> VoiceMail Plan=no 99 <conf:(0.98)> lift:(1.16) lev:(0.03) [13] conv:(5.33)
- 14. Inter Plan=no Total Day Charge='(40-inf)' Total Evening Charge='(18-inf)' 101 ==> VoiceMail Plan=no Churn=TRUE 99 <conf:(0.98)> lift:(1.16) lev:(0.03) [13] conv:(5.33)
- 15. Inter Plan=no Total Day Charge='(40-inf)' Total Evening Charge='(18-inf)' Churn=TRUE 101 ==> VoiceMail Plan=no 99 <conf:(0.98)> lift:(1.16) lev:(0.03) [13] conv:(5.33)
- 16. Total Day Charge='(40-inf)' No of Calls Customer Service=0 48 ==> VoiceMail Plan=no 47 <conf:(0.98)> lift:(1.16) lev:(0.01) [6] conv:(3.8)
- 17. Total Day Charge='(40-inf)' No of Calls Customer Service=2 48 ==> VoiceMail Plan=no 47 <conf:(0.98)> lift:(1.16) lev:(0.01) [6] conv:(3.8)
- 18. Total Day Charge='(40-inf)' No of Calls Customer Service=0 48 ==> VoiceMail Plan=no Churn=TRUE 47 <conf:(0.98)> lift:(1.16) lev:(0.01) [6] conv:(3.8)
- 19. Total Day Charge='(40-inf)' No of Calls Customer Service=0 Churn=TRUE 48 ==> VoiceMail Plan=no 47 <conf:(0.98)> lift:(1.16) lev:(0.01) [6] conv:(3.8)
- 20. Total Day Charge='(40-inf)' No of Calls Customer Service=2 48 ==> VoiceMail Plan=no Churn=TRUE 47 <conf:(0.98)> lift:(1.16) lev:(0.01) [6] conv:(3.8)
- 21. Total Day Charge='(40-inf)' No of Calls Customer Service=2 Churn=TRUE 48 ==> VoiceMail Plan=no 47 <conf:(0.98)> lift:(1.16) lev:(0.01) [6] conv:(3.8)
- 22. Total Day Charge='(40-inf)' Total Evening Charge='(18-inf)' 121 ==> VoiceMail Plan=no 117 <conf:(0.97)> lift:(1.15) lev:(0.03) [15] conv:(3.83)
- 23. Total Day Charge='(40-inf)' Total Evening Charge='(18-inf)' 121 ==> VoiceMail Plan=no Churn=TRUE

 117 <conf:(0.97)> lift:(1.15) lev:(0.03) [15] conv:(3.83)
- 24. Total Day Charge='(40-inf)' Total Evening Charge='(18-inf)' Churn=TRUE 121 ==> VoiceMail Plan=no

 117 <conf:(0.97)> lift:(1.15) lev:(0.03) [15] conv:(3.83)
- 25. Account Length='B4of8' Total Day Charge='(40-inf)' 52 ==> VoiceMail Plan=no 50 <conf:(0.96)> lift:(1.14) lev:(0.01) [6] conv:(2.74)
- 26. Account Length='B4of8' Total Day Charge='(40-inf)' 52 ==> VoiceMail Plan=no Churn=TRUE 50 <conf:(0.96)> lift:(1.14) lev:(0.01) [6] conv:(2.74)
- 27. Account Length='B4of8' Total Day Charge='(40-inf)' Churn=TRUE 52 ==> VoiceMail Plan=no 50 <conf:(0.96)> lift:(1.14) lev:(0.01) [6] conv:(2.74)
- 28. Total Day Charge='(40-inf)' 201 ==> VoiceMail Plan=no 193 <conf:(0.96)> lift:(1.14) lev:(0.05) [23] conv:(3.54)
- 29. Total Day Charge='(40-inf)' 201 ==> VoiceMail Plan=no Churn=TRUE 193 <conf:(0.96)> lift:(1.14) lev:(0.05) [23] conv:(3.54)
- 30. Total Day Charge='(40-inf)' Churn=TRUE 201 ==> VoiceMail Plan=no 193 <conf:(0.96)> lift:(1.14) lev:(0.05) [23] conv:(3.54)
- 31. Account Length='B3of8' Total Day Charge='(40-inf)' 49 ==> VoiceMail Plan=no 47 <conf:(0.96)> lift:(1.14) lev:(0.01) [5] conv:(2.59)
- 32. Account Length='B3of8' Total Day Charge='(40-inf)' 49 ==> VoiceMail Plan=no Churn=TRUE 47 <conf:(0.96)> lift:(1.14) lev:(0.01) [5] conv:(2.59)

- 33. Account Length='B3of8' Total Day Charge='(40-inf)' Churn=TRUE 49 ==> VoiceMail Plan=no 47 <conf:(0.96)> lift:(1.14) lev:(0.01) [5] conv:(2.59)
- 34. Total Day Charge='(40-inf)' Total Evening Charge='(-inf-18]' 80 ==> VoiceMail Plan=no 76 <conf:(0.95)> lift:(1.13) lev:(0.02) [8] conv:(2.53)
- 35. Total Day Charge='(40-inf)' Total Evening Charge='(-inf-18]' 80 ==> VoiceMail Plan=no Churn=TRUE
- 76 <conf:(0.95)> lift:(1.13) lev:(0.02) [8] conv:(2.53)
- 36. Total Day Charge='(40-inf)' Total Evening Charge='(-inf-18]' Churn=TRUE 80 ==> VoiceMail Plan=no
- 76 <conf:(0.95)> lift:(1.13) lev:(0.02) [8] conv:(2.53)
- 37. Total Day Charge='(40-inf)' No of Calls Customer Service=1 68 ==> VoiceMail Plan=no 63 <conf:(0.93)> lift:(1.1) lev:(0.01) [5] conv:(1.79)
- 38. Total Day Charge='(40-inf)' No of Calls Customer Service=1 68 ==> VoiceMail Plan=no Churn=TRUE 63 <conf:(0.93)> lift:(1.1) lev:(0.01) [5] conv:(1.79)
- 39. Total Day Charge='(40-inf)' No of Calls Customer Service=1 Churn=TRUE 68 ==> VoiceMail Plan=no 63 <conf:(0.93)> lift:(1.1) lev:(0.01) [5] conv:(1.79)
- 40. Inter Plan=no Total Evening Charge='(18-inf)' No of Calls Customer Service=1 50 ==> VoiceMail Plan=no 46 <conf:(0.92)> lift:(1.09) lev:(0.01) [3] conv:(1.58)