

SyriaTel Churn Analysis

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Agenda

Business problem:

Telecom
Companies

SyriaTel's
Customers

Stats and Machine
Learning

Data Trends

Implementing
Models

Next Step

Results &
Recommendations

Business Problem

Customer Churn

Churn in Telecom Companies

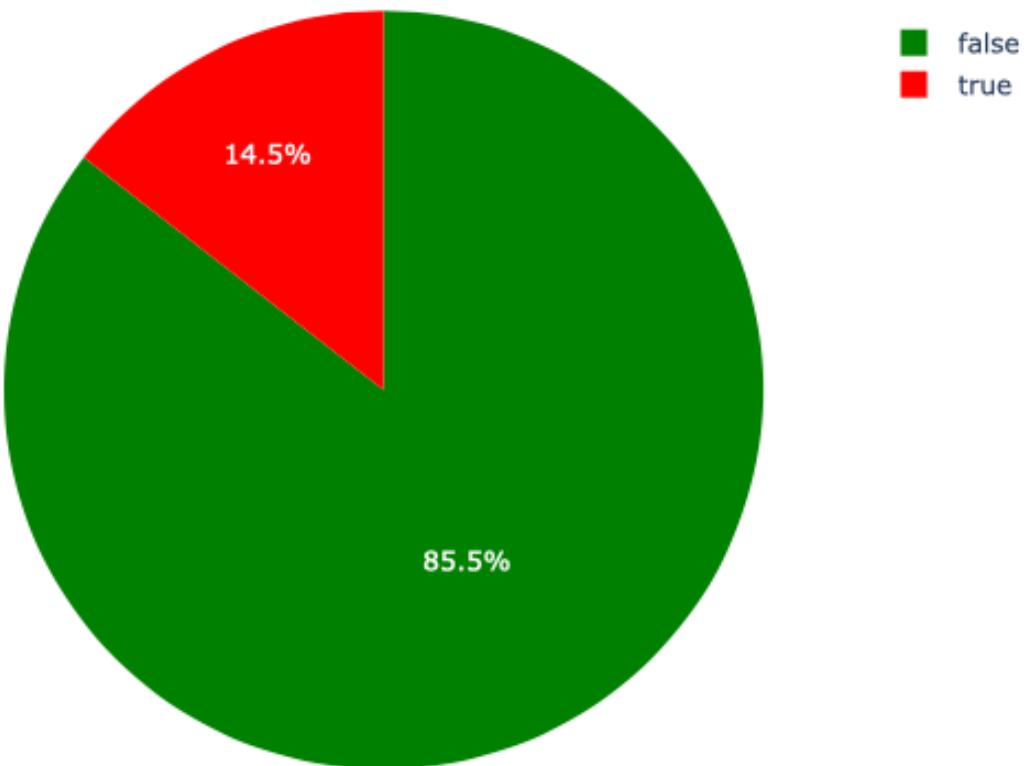
- Most telecom companies find it less expensive to retain an existing customer versus onboarding a new one.
- We will examine any predictable patterns in SyriaTel telecom company in order to implement a strategy that will allow us to increase the likelihood of retaining customers.



Would SyriaTel lose a customer “soon”?

- Currently the churn rate is 14.5%.
- We will predict whether a customer is likely to leave SyriaTel and identify the reasons of a customer churning.
- We will recommend cost-effective solutions to SyriaTel on how to reduce churn.

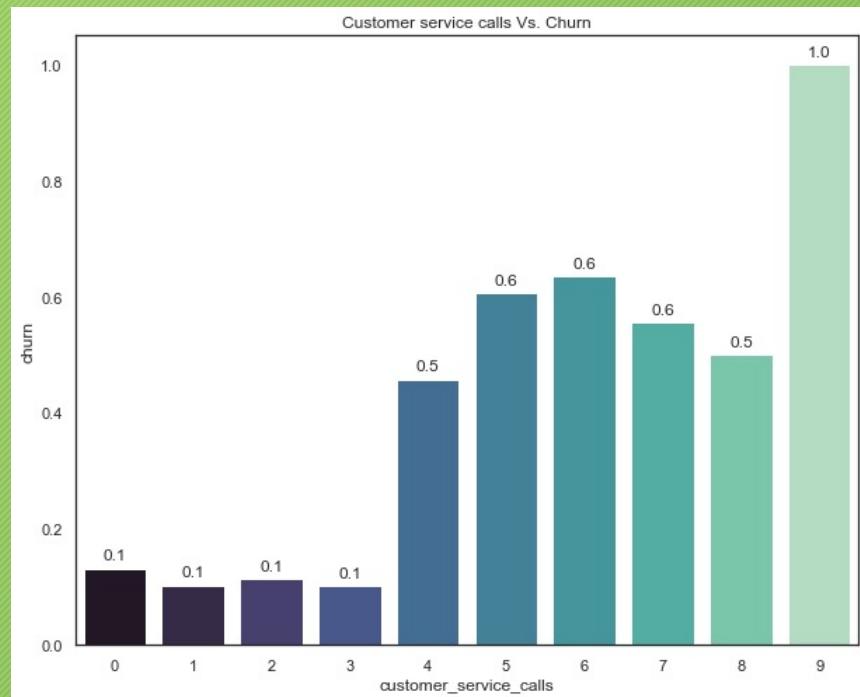
Distribution of Churn



Stats and Machine Learning

Stats on Churn

Customer Service Calls

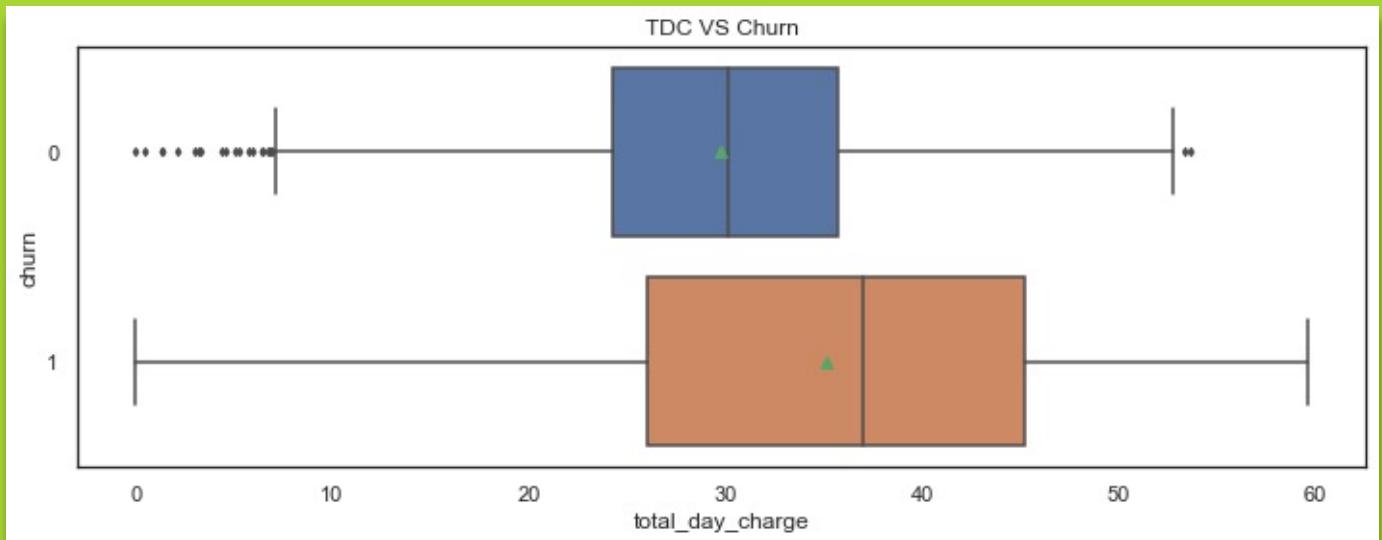


- After four Customer Service calls a customer is likely to churn.

Charges

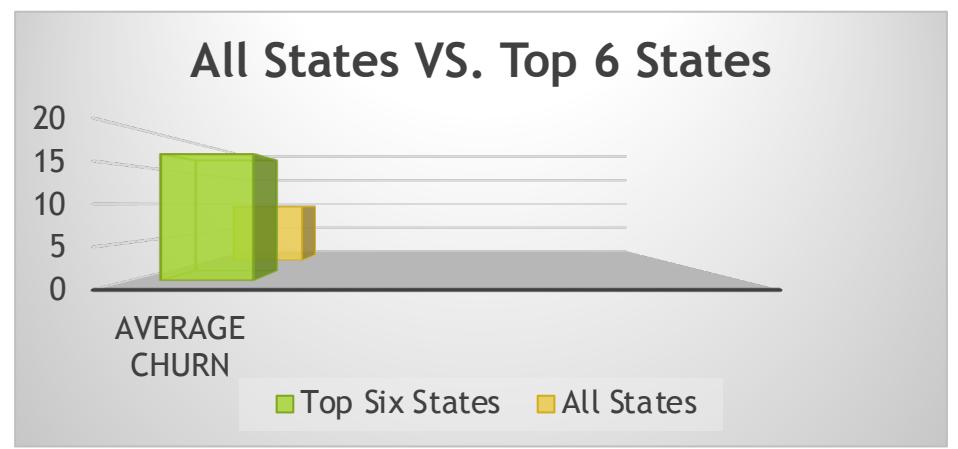
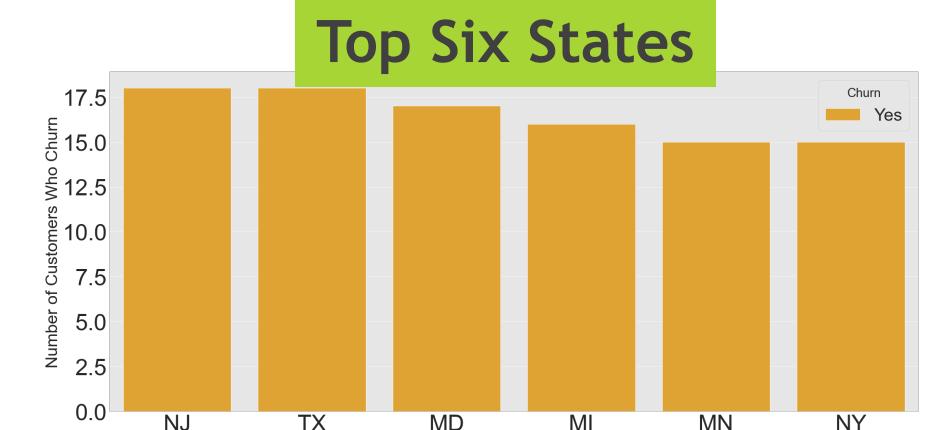
- Total day charges lead to more churning.
- Exceeding \$38 results in more churning

Total Day Charge



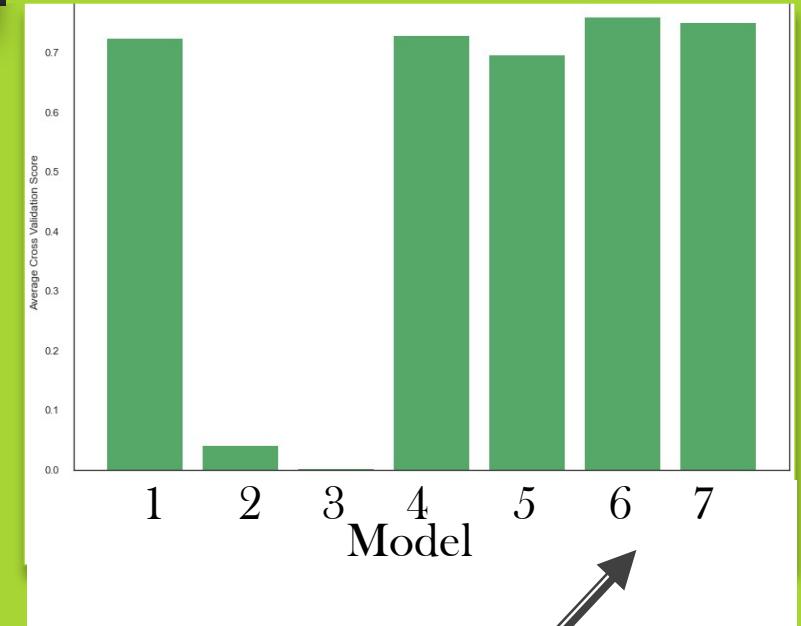
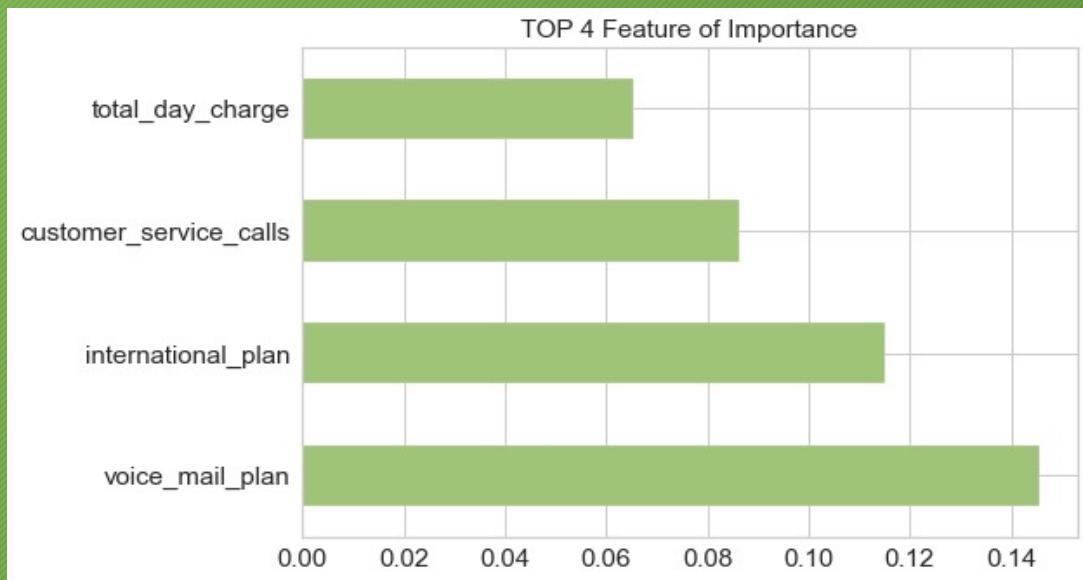
States to Focus on

- On average, the top six states had six more customers churning compared to the average churn of all the states together.



More Insight

- We ran numerous algorithms to predict churn.
- We chose the one that posted the highest score.
- We selected the top four important features that have the most impact on churning.



Recommendations

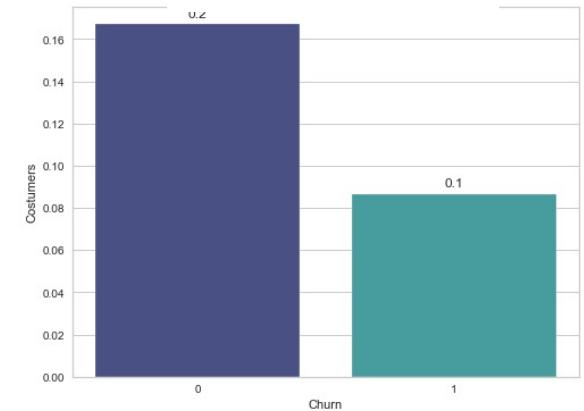
Voicemail Plan

- Customers with a voicemail plan are twice as less likely to churn.
- We recommend offering a voicemail plan to customers who currently do not have one, as part of the incentives used to retain customers.

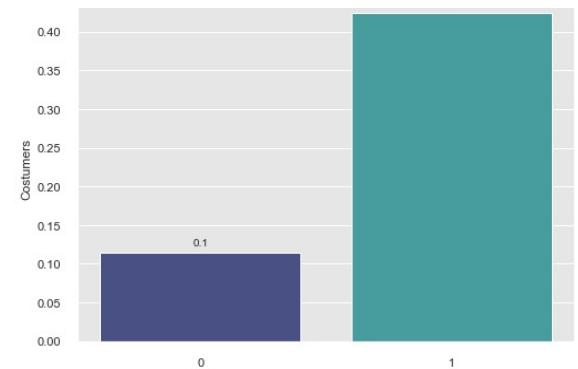
International Plan

- Customers who have an international plan were four times as likely to churn.
- SyriaTel should consider eliminating the current international plan and consider replacing it with a subscription package which would include a certain number of international calls per year.

Voicemail Plan



International Plan



Recommendations

Customer Service Calls

- We recommend adding an incentive to customers after the third service call. Possible incentives may include: three weeks free of charge before subscribing for a year or gifting a customer a voicemail plan for 3 weeks.



Total Day Charge

- We recommend offering customers a reoccurring monthly fee as opposed to the current method of charging per min.



Recommendations

States

- We recommend focusing on customers located in NJ, TX, MD, MI, MN and NY, as they have been churning the most.
- Building an alert when these states subscribe and offering them a new loyalty package after being with the company a certain number of months.

Next Steps

- Gather further data
- Implement our recommendations and analyze the cost
- Examine the option of using a different vendor or temporally partnering to offer incentives and promotions when a customer seems dissatisfied

Thank you



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