

# Predicting Customer Churn to Drive Retention at Syriatel

**A Data-Driven Strategy for Protecting Our Revenue**

By Pessah Tafford

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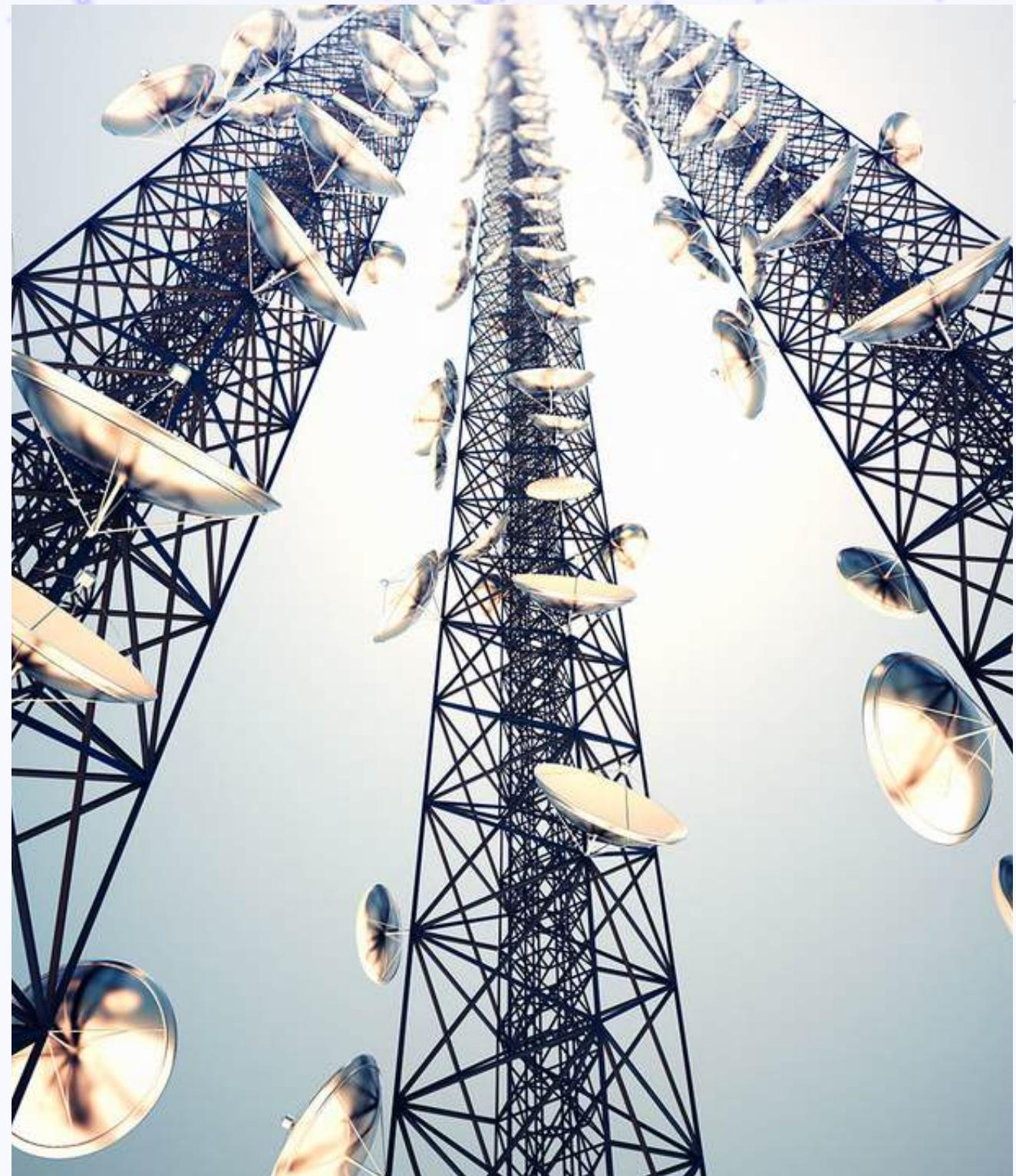
# Overview

## The Challenge: Why Customers Leave

Syriatel serves over 6 million customers, holding 55% of the Syrian market. Recently, we've observed an increase in customer churn – the rate at which customers cancel their service.

**The Business Impact:** Losing customers means losing revenue. It costs significantly more to acquire a new customer than to keep an existing one.

**The Goal:** To build a tool that helps us predict which customers are likely to churn so we can proactively reach out and keep them.



# What We Know About Our Customers

We analyzed historical data from 3,333 customers, looking at their usage patterns, plans, and account details.

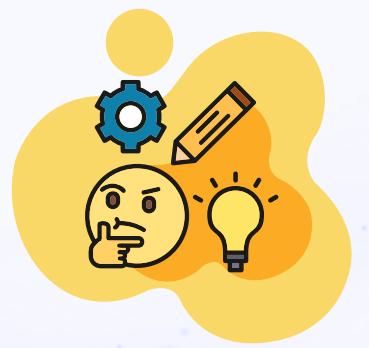
## What we looked at:

- Account Information: How long they've been with us, their contract type, and their area code.
- Usage & Spending: Minutes used (day, evening, night), number of calls, and resulting charges
- Service Interactions: How many times they called customer service.

## The Reality:

Our current overall churn rate is about 14.5% . This represents a significant, recurring loss of revenue that we can potentially prevent.

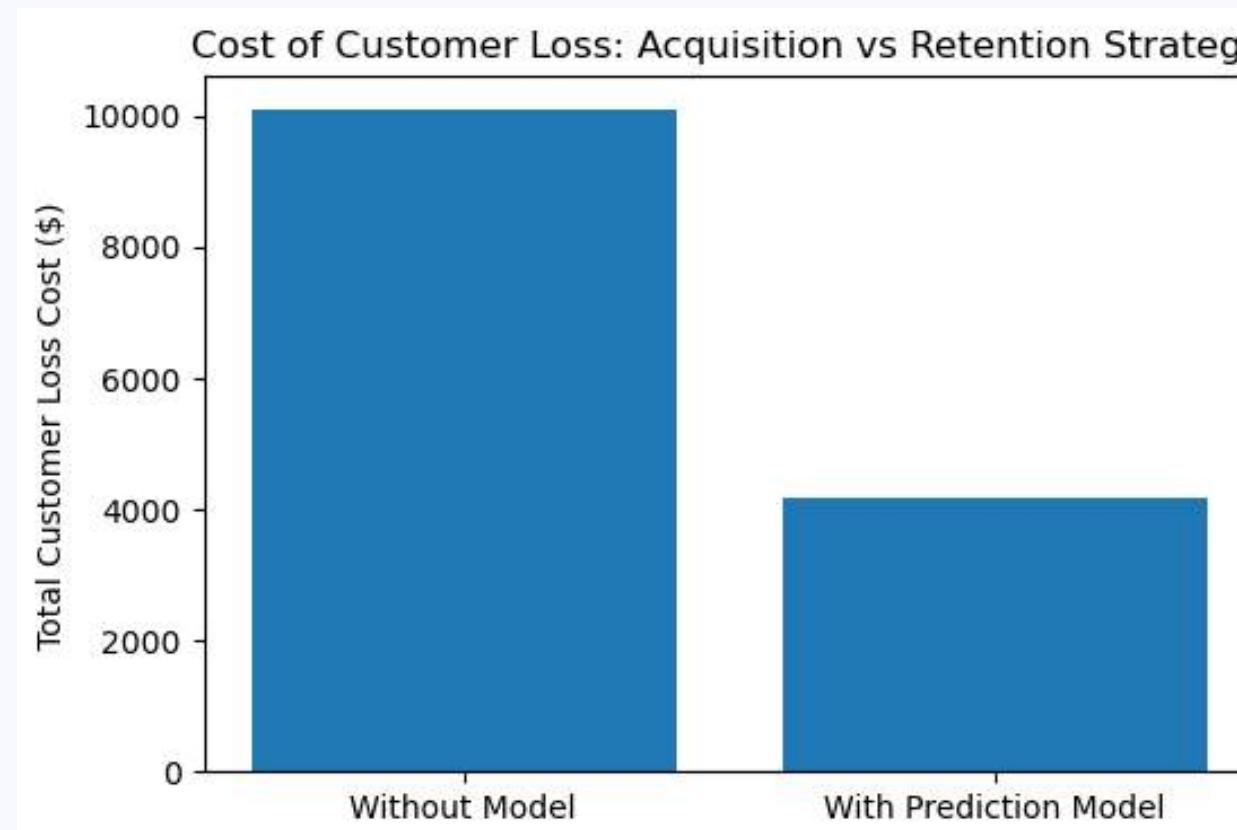




# How We Can Predict Churn Before It Happens?

## Analogy

Think of this like a weather forecast. We don't just guess; we use past data (pressure, wind, temperature) to predict the chance of rain tomorrow.



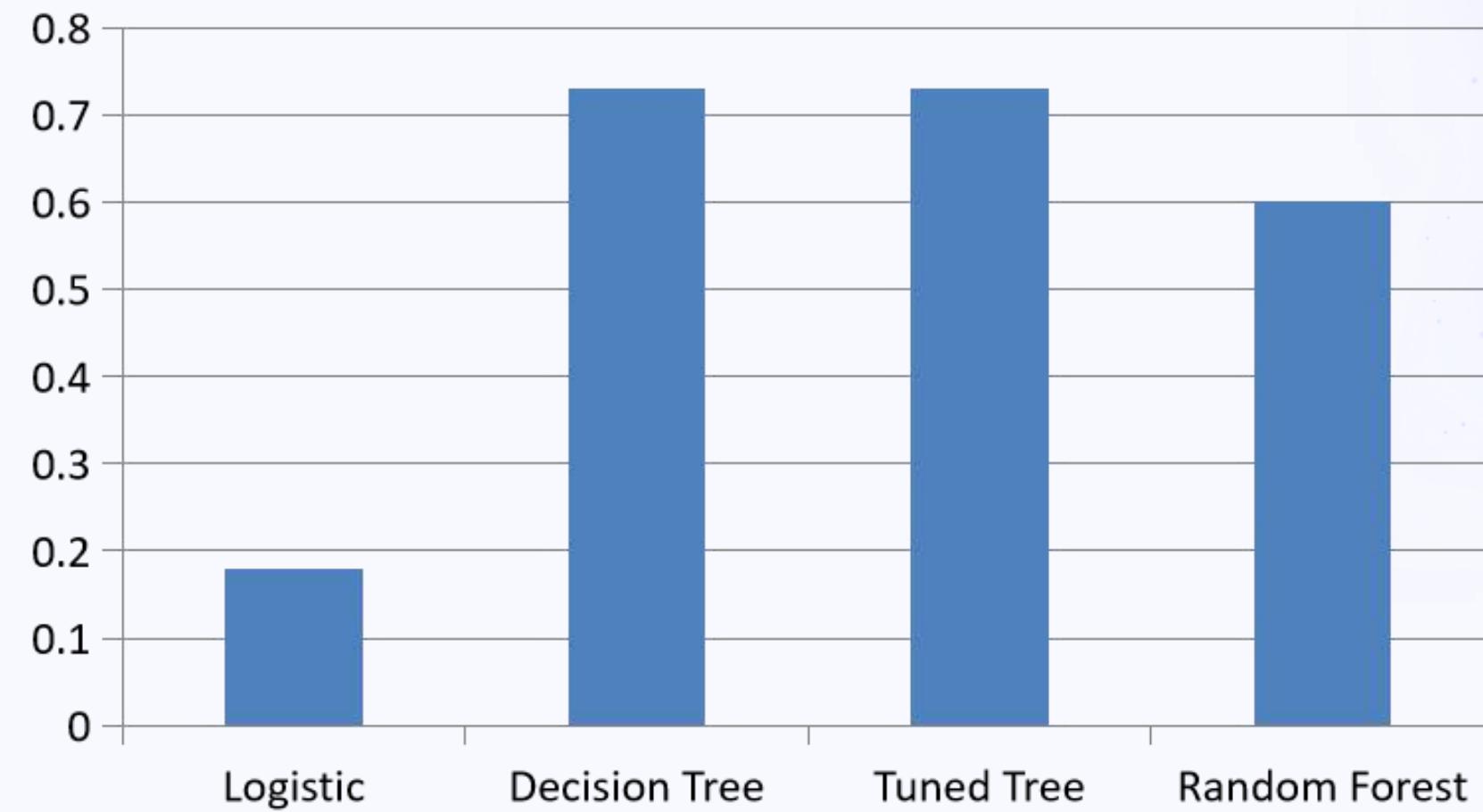
## Our approach

Think of this like a weather forecast. We don't just guess; we use past data (pressure, wind, temperature) to predict the chance of rain tomorrow.

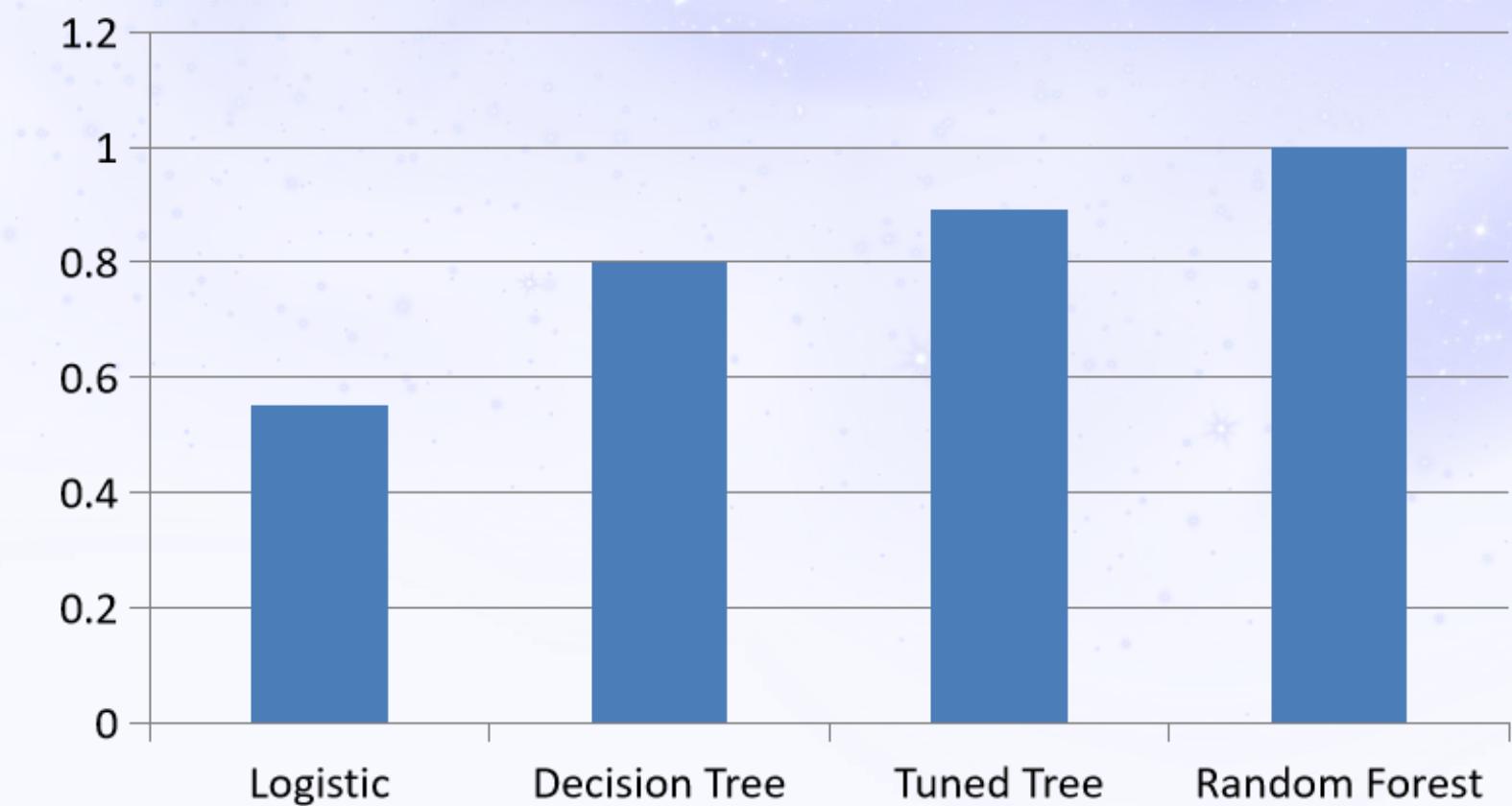
1. "Low Risk": Customers predicted to stay.
2. "High Risk": Customers predicted to leave.

**Why it's useful:** This allows us to focus our retention efforts (like special offers or personal check-in calls) on the smaller group of high-risk customers, rather than bothering everyone.

## Model Performance Comparison (Recall for Churn)



## Precision for Churn Predictions



# The Top Warning Signs of a Customer at Risk

The model analyzed all the customer data to find the strongest signals of churn. These are the key red flags:

The Top 3 Drivers of Churn:

## Frequent Customer Service Calls

Customers who call support 3 or more times are far more likely to leave. This is a major sign of frustration or unresolved issues.

## Having an International Plan

Customers with this plan churn at a much higher rate (around 40%) than those without it. This suggests potential dissatisfaction with pricing or service quality.

## High Daytime Usage

Customers with very high daytime minutes and charges are also more prone to churn, possibly indicating they are heavy users who are sensitive to their bill.

# Putting Our Prediction Model to the Test

We tested the model on a set of "new" customer data it had never seen before to see how well it performed.

The Key Question: How good is it at finding the "needles in the haystack".. the customers who will actually churn?

**The Results:** Our best model successfully identified 73% of customers who ended up churning. This is a massive improvement over guessing! It means we have a real opportunity to intervene and save most of these at-risk relationships.

**Takeaway:** While not perfect, the model provides a highly reliable, data-backed list of customers to focus our retention efforts on.

# A Proactive Plan to Retain Our Customers

## For customers with high customer service calls

Have a senior agent proactively reach out for a personal "check-in" to resolve any lingering issues and offer support.

## For customers with an International Plans

Survey them to understand their needs. Offer a discounted bundle or improved service package to increase perceived value.

## For high-usage (high-bill) customers

Offer a tailored plan with a slightly lower rate in exchange for a 12-month commitment, converting them from month-to-month.

## General Strategy

The sales/support team receives a weekly "High-Risk" report to guide their outreach calls.

# Making This a Reality

To put this tool to work, our next steps are:

- ◆ Integrate the Model: Work with our IT team to automatically run the churn model on our customer database each week.
- ◆ Create a Simple Workflow: Design a clear process for the Customer Success team to receive and act on the "High-Risk" customer list.
- ◆ Train the Team: Show the team how to use the list and tailor their conversations based on the customer's specific risk factors.
- ◆ Launch a Pilot Program: Test the process with one team for a month to measure the actual impact on retention before a full rollout.



# The Impact on Our Business

Success isn't just about the model; it's about the bottom line. We will measure:

## **Primary Metric**

A measurable reduction in our overall monthly churn rate.

## **Secondary Metric**

An increase in the retention rate of customers identified as "High-Risk" that we contact.

## **Tracking**

We will compare the churn rate of the group we contact against a similar group of high-risk customers we do not contact, to see the true impact of our efforts.

## **Other than that:**

Integrate model into CRM

Run weekly predictions

Measure retention improvements

Pessah Tafford

tafford.pessah@student.moringaschool.com

# Thank You

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