

Short Summary – E-commerce Customer Churn Analysis

- **Dataset:** 50,000 customers, 25 features (behavioral, transactional, demographic).
Target variable: **Churned** ($\approx 29\%$ churn rate).
- **Data Cleaning:**
 - Handled missing values using **median imputation** for numerical columns.
 - **Outliers capped** using IQR method.
 - Categorical variables encoded using **Label Encoding** and later **One-Hot Encoding**.
- **EDA Insights:**
 - Churn is influenced by **login frequency, membership years, days since last purchase, lifetime value, age**, and engagement metrics.
 - Lower engagement and longer inactivity strongly correlate with churn.
- **Modeling:**
 - Trained and compared **10 models** (Logistic Regression, Random Forest, Gradient Boosting, XGBoost, etc.) using scaled features.
- **Best Models (by ROC-AUC):**
 - **Gradient Boosting: ROC-AUC 0.927** (best overall)
 - **Random Forest: ROC-AUC 0.925**
 - **XGBoost: ROC-AUC 0.925**
- **Final Performance (Top Models):**
 - Accuracy $\approx 91\%$
 - F1-score ≈ 0.84
 - Recall for churned customers ≈ 0.79
- **Feature Importance:**
 - Key drivers: **Lifetime Value, Login Frequency, Days Since Last Purchase, Total Purchases, Session Duration**.
- **Conclusion:**
 - The model effectively predicts churn with strong discrimination.
 - **Engagement and recency-based features** are the most critical for churn prediction.