# **Feature Analysis Report**

### RowNumber

• Represents: Sequential record identifier

• Datatype: Numerical (integer)

• Importance: Non-predictive index

• Range: 1-10,000 (μ=5000.5, σ=2886.9)

• Transformation: Exclude

# CustomerId

• Represents: Unique customer identifier

• Datatype: Numerical (integer)

Importance: Non-predictive identifier
Range: 15.57M-15.82M (all unique)

• Transformation: Remove

# Surname

• Represents: Customer's last name

• Datatype: Categorical

• Importance: Low predictive value

• Levels: 2932 unique surnames

• Transformation: Exclude (high cardinality)

# CreditScore

• Represents: Financial credibility metric

• Datatype: Numerical (integer)

• Importance: High predictor potential

• Range: 350-850 ( $\mu$ =650.5,  $\sigma$ =96.7)

• Transformation: Standard scaling

# Geography

• Represents: Customer country

• Datatype: Categorical

• Importance: Significant regional patterns

• Levels: Categorical

• Transformation: One-hot encoding

#### Gender

• Represents: Biological sex

• Datatype: Categorical

• Importance: Moderate demographic factor

• Levels: Male/Female

Transformation: Binary encoding

# <u>Age</u>

• Represents: Customer age

Datatype: Numerical (integer)

• Importance: Key demographic predictor

• Range: 18-92 ( $\mu$ =38.9,  $\sigma$ =10.5)

 Transformation: Binning for non-linear effects

#### Tenure

• Represents: Account longevity (years)

• Datatype: Numerical (integer)

Importance: Moderate retention signal

• Range: 0-10 ( $\mu$ =5.0,  $\sigma$ =2.9)

• Transformation: Ordinal encoding

# **Balance**

• Represents: Account funds

• Datatype: Numerical (float)

• Importance: Critical financial indicator

• Range: \$0-\$250K (μ=\$76,486, σ=\$62,397)

• Transformation: Log transform for skew

# **NumOfProducts**

Represents: Banking products used

Datatype: Numerical (integer)

Importance: Strong retention signal

• Range: 1-4 ( $\mu$ =1.5,  $\sigma$ =0.6)

• Transformation: Ordinal encoding

### HasCrCard

• Represents: Credit card ownership

• Datatype: Binary

• Importance: Moderate spending indicator

• Levels: 0=No, 1=Yes

• Transformation: Keep as binary

# **IsActiveMember**

• Represents: Account activity status

• Datatype: Binary

• Importance: Cructive retention indicator

• Levels: 0=Inactive, 1=Active

• Transformation: Binary flag

# **EstimatedSalary**

• Represents: Annual income

• Datatype: Numerical (float)

• Importance: Moderate financial factor

• Range: \$11.58-\$199,992 ( $\mu$ =\$100,090,  $\sigma$ =\$57,510)

• Transformation: Robust scaling

# Exited (Target)

• Represents: Churn status

• Datatype: Binary

Levels: 0=Retained, 1=Churned
Class Balance: 20.4% churn rate

# Complain

• Represents: Customer complaints

• Datatype: Binary

• Importance: Critical churn predictor

• Levels: 0=No, 1=Yes

• Transformation: Binary flag

#### Satisfaction Score

• Represents: Service rating

• Datatype: Ordinal

• Importance: Key experience metric

• Range: 1-5 ( $\mu$ =3.0,  $\sigma$ =1.4)

• Transformation: Ordinal encoding

# Card Type

• Represents: Credit card tier

• Datatype: Categorical

• Importance: Moderate spending signal

• Levels:

DIAMOND/GOLD/SILVER/PLATIN

UM

• Transformation: One-hot encoding

#### Point Earned

• Represents: Loyalty points

Datatype: Numerical (integer)

• Importance: Engagement metric

• Range: 119-1000 ( $\mu$ =606.5,  $\sigma$ =225.9)

• Transformation: Min-Max scaling

- 1. <u>Priority Predictors</u>: CreditScore, Geography, Age, Balance, Complain, Satisfaction Score
- 2. Encoding Strategy: One-hot for Geography/CardType, ordinal for Satisfaction Score
- 3. Feature Removal: Exclude RowNumber, CustomerId, Surname
- 4. <u>Handling Skew</u>: Log transform Balance, robust scale EstimatedSalary
- 5. <u>Class Imbalance</u>: Address 20.4% churn rate with sampling techniques