Intelligent Customer Retention: Using Machine Learning for

Enhanced Prediction of Telecom Customer Churn

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1. INRODUCTION

1.1 OVERVIEW

Telecom Customer Retention Using Machine Learning

- ➤ Customer churn is often referred to as customer attrition, or customer defection which is the rate at which the customers are lost. Customer churn is a major problem and one of the most important concerns for large companies. Due to the direct effect on the revenues of the companies, especially in the telecom field, companies are seeking to develop means to predict potential customer to churn. Looking at churn, different reasons trigger customers to terminate their contracts, for example better price offers, more interesting packages, bad service experiences or change of customers' personal situations.
- Customer churn has become highly important for companies because of increasing competition among companies, increased importance of marketing strategies and conscious behaviour of customers in the recent years. Customers can easily trend toward alternative services. Companies must develop various strategies to prevent these possible trends, depending on the services they provide. During the estimation of possible churns, data from the previous churns might be used. An efficient churn predictive model benefits companies in many ways. Early identification of customers likely to leave may help to build cost effective ways in marketing strategies. Customer retention campaigns might be limited to selected customers but it should cover most of the customer. Incorrect predictions could result in a company losing profits because of the discounts offered to continuous subscribers.
- ➤ Telecommunication industry always suffers from a very high churn rates when one industry offers a better plan than the previous there is a high possibility of the customer churning from the present due to a better plan in such a scenario it is very difficult to avoid losses but through prediction we can keep it to a minimal level.
- ➤ Telecom companies often use customer churn as a key business metrics to predict the number of customers that will leave a telecom service provider. A machine learning model can be used to identity the probable churn customers and then makes the necessary business decisions.

1.2 Purpose

➤ Intelligent customer retention is a crucial aspect of customer relationship management for telecom companies. One of the most significant challenges in this domain is the prediction of customer churn, which refers to the phenomenon where customers decide to discontinue their service subscription with a telecom company. To address this challenge,

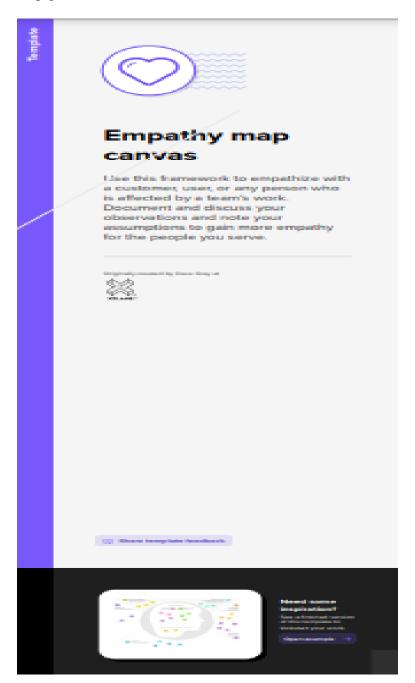
machine learning techniques can be used to enhance the accuracy of churn prediction models.

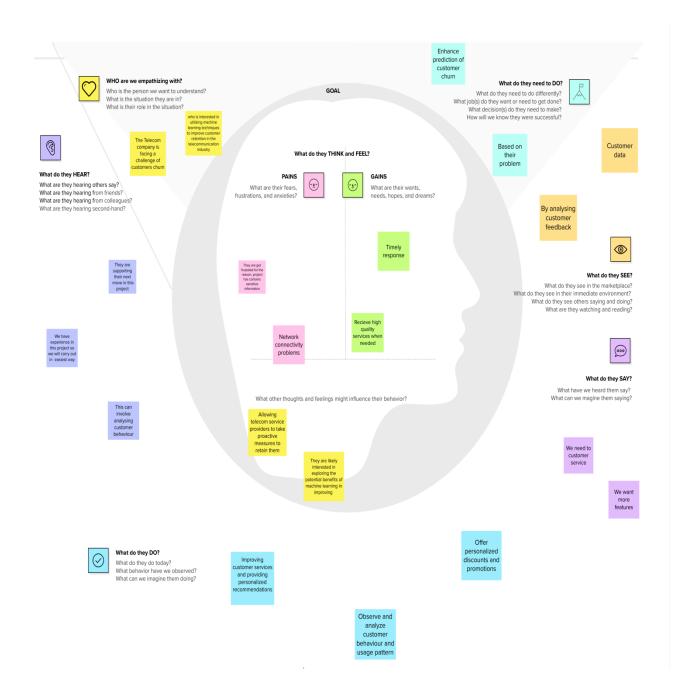
- ➤ To build a machine learning model for churn prediction, a historical dataset of customer behavior, usage patterns, demographics, and other relevant variables should be collected. This dataset can then be used to train a model that can identify patterns in the data and make predictions about which customers are likely to churn in the future.
- ➤ Several machine learning algorithms can be used for churn prediction, including logistic regression, decision trees, random forests, and neural networks. These models can be further enhanced through the use of techniques such as ensemble learning, feature selection, and hyperparameter optimization.
- ➤ Once a churn prediction model has been developed, it can be integrated into a customer retention strategy. This strategy may involve targeted marketing campaigns, personalized offers, loyalty programs, and proactive customer service. By leveraging machine learning for intelligent customer retention, telecom companies can reduce churn rates, improve customer satisfaction, and increase revenue.

2. PROBLEM DEFINITION & DESIGN THINKING

2.1 Empathy Map

In the ideation phase we have empathized as our client Optimizing spam filtering with machine learning and we have acquired the details which are represented in the Empathy Map given below.

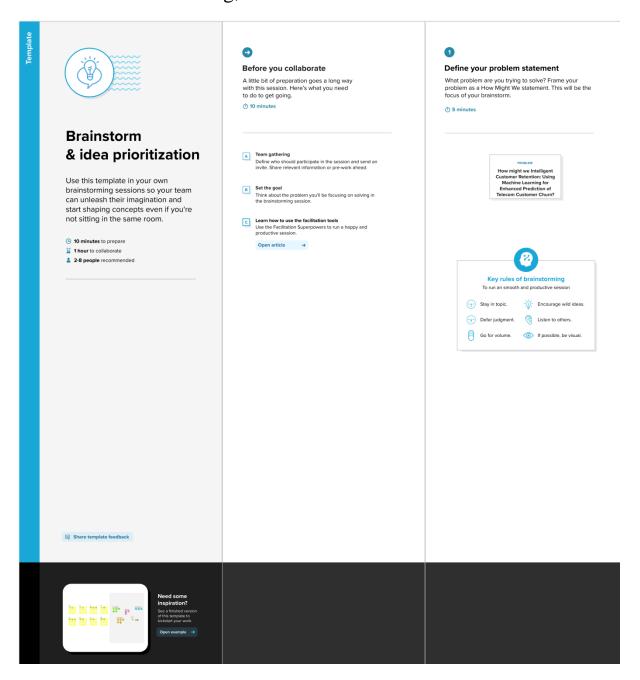




2.2 IDEATION 7 BRAINSTORMING MAP

Under this activity our team members have gathered and discussed various idea to solve our project problem. Each member contributed 6 to 10 ideas after gathering all ideas we have assessed the impact and feasibility of each point. Finally, we have assign the priority for each point based on the impact value.

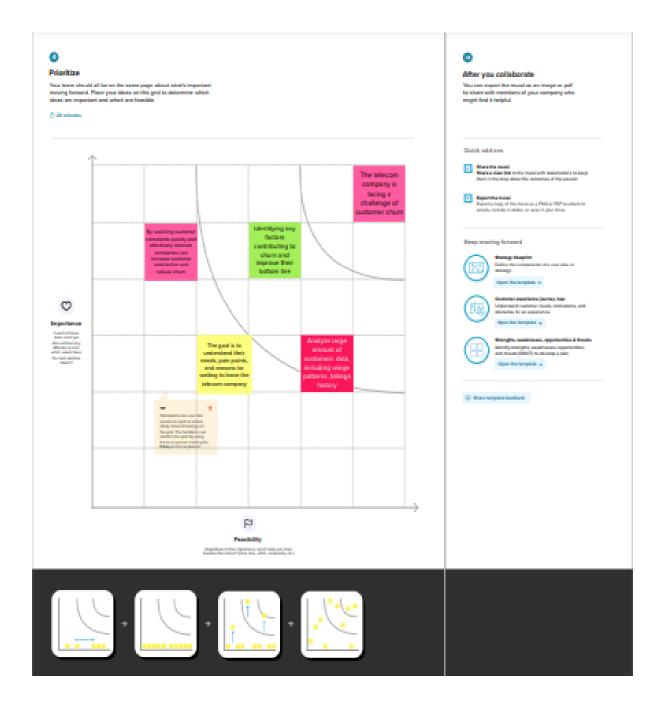
STEP-1: Team Gathering, Collaboration and Select the Problem



STEP-2: Brainstorm, Idea Listing and Grouping

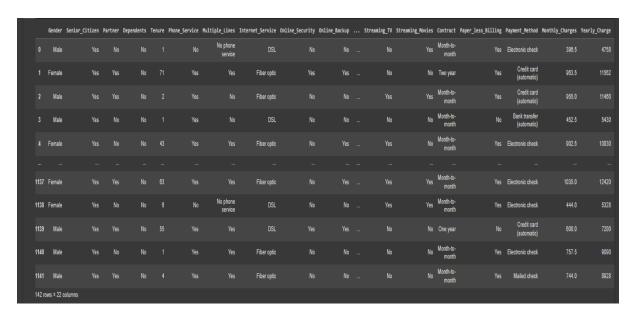


STEP-3: Idea Prioritization



3. RESULT

Read the datasets

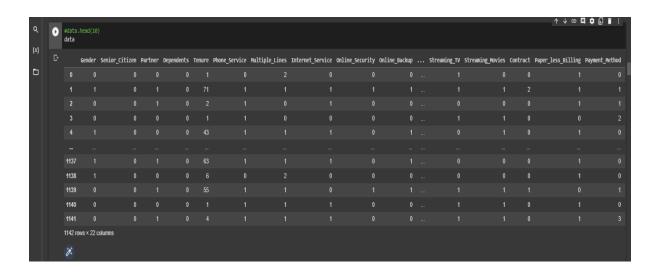


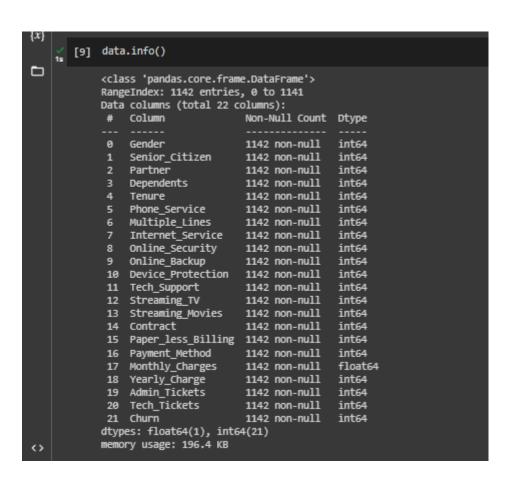
Handling missing values

```
\{x\}
           <class 'pandas.core.frame.DataFrame'>
           RangeIndex: 1142 entries, 0 to 1141
           Data columns (total 22 columns):
# Column
                                  Non-Null Count Dtype
               Gender
                                  1142 non-null
                                                  object
                Senior_Citizen
                                  1142 non-null
                                                  object
                Partner
                                  1142 non-null
                                                  object
                                   1142 non-null
                Dependents
                                                  object
                Tenure
                                   1142 non-null
                                                  int64
                Phone_Service
                                   1142 non-null
                                                  object
                Multiple_Lines
                                   1142 non-null
                Internet_Service
                                   1142 non-null
                                                  object
                Online_Security
                                  1142 non-null
                                                  object
            8
                                                  object
            9
                Online_Backup
                                  1142 non-null
            10 Device_Protection 1142 non-null
                                                  object
            11 Tech_Support
                                  1142 non-null
                                                  object
            12 Streaming_TV
                                   1142 non-null
                                                  object
            13 Streaming_Movies
                                 1142 non-null
                                                  object
                                   1142 non-null
            14 Contract
                                                  object
            15 Paper_less_Billing 1142 non-null
                                                  object
                Payment_Method
                                   1142 non-null
            17
                Monthly_Charges
                                   1142 non-null
                                                  float64
                                   1142 non-null
               Yearly_Charge
                                                  int64
            18
               Admin_Tickets
                                   1142 non-null
            19
                                                  int64
            20 Tech_Tickets
                                   1142 non-null
                                                  int64
            21 Churn
                                   1142 non-null
                                                  object
           dtypes: float64(1), int64(4), object(17)
           memory usage: 196.4+ KB
```

```
[5] #checking for null values
       data.isnull().any()
                           False
       Gender
       Senior_Citizen
                          False
       Partner
                          False
       Dependents
                          False
       Tenure
                          False
       Phone_Service
                          False
                          False
       Multiple_Lines
       Internet_Service
                          False
                          False
       Online_Security
                          False
       Online_Backup
                          False
       Device_Protection
                          False
       Tech_Support
                          False
       Streaming_TV
                          False
       Streaming_Movies
       Contract
                           False
       Paper_less_Billing
                           False
       Payment_Method
                           False
       Monthly_Charges
                           False
       Yearly_Charge
                           False
       Admin_Tickets
                           False
       Tech_Tickets
                           False
       Churn
                           False
       dtype: bool
```

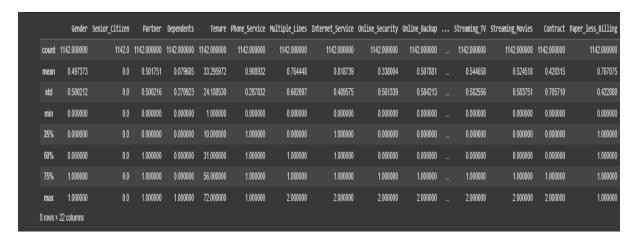
```
[6] data.isnull().sum()
       Gender
       Senior_Citizen
                             0
       Partner
                             0
       Dependents
                             0
       Tenure
                             0
       Phone_Service
       Multiple_Lines
                             0
       Internet_Service
                             0
       Online_Security
                             0
       Online_Backup
                             0
       Device_Protection
       Tech_Support
                             0
                             0
       Streaming_TV
       Streaming_Movies
                             0
       Contract
       Paper_less_Billing
                             0
       Payment_Method
                             0
       Monthly_Charges
                             0
       Yearly_Charge
       Admin_Tickets
                             0
       Tech_Tickets
                             0
        Churn
                             0
       dtype: int64
```





```
| The content of the
```

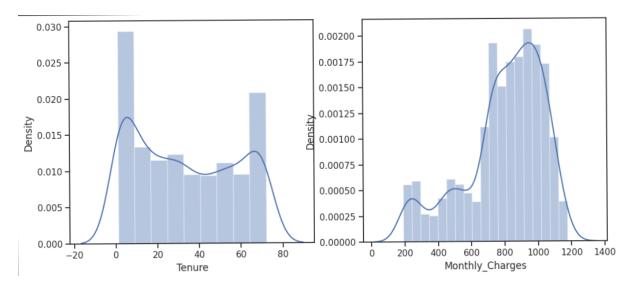
```
() [94] y_resample () array([0, 1, 1, ..., 0, 0, 0])
```

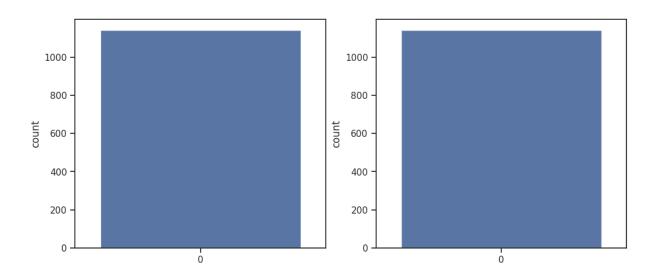


Exploratary Data Analysis:

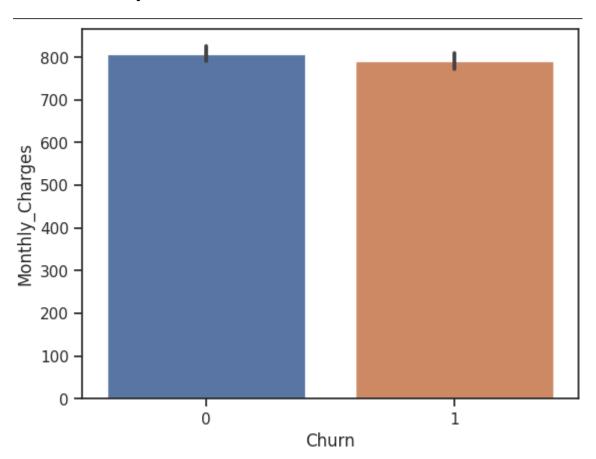
Visual Analysis

Univariate Analysis

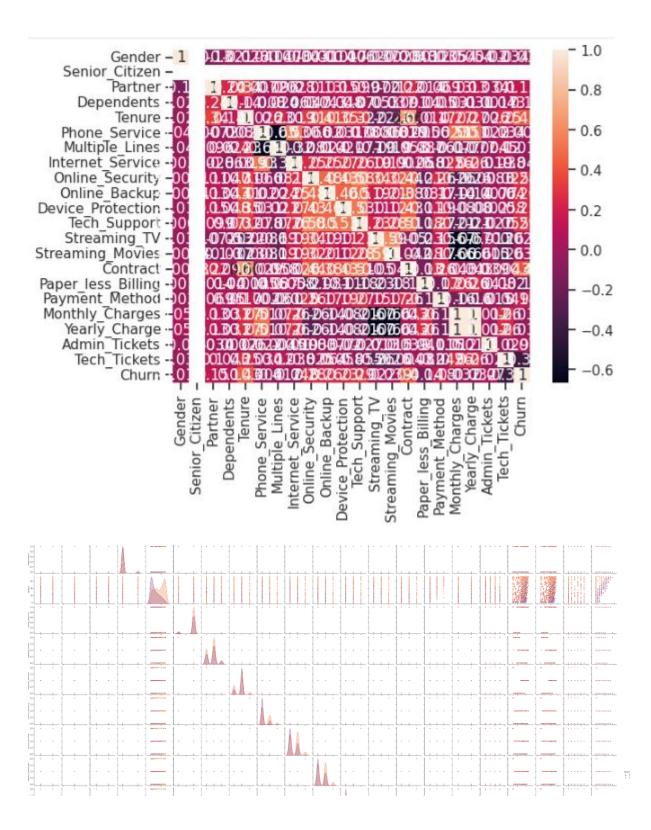




Bivariate Analysis



Multivariate Analysis



Model Building

Scaling The Data

```
y_train.shape
(1065,)

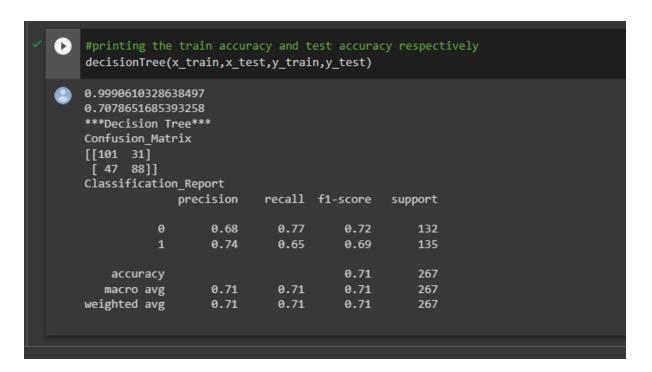
[31] x_train.shape
(1065, 39)
```

Training the model in multiple algorithms:

Logistic Regression Model

```
#printing the train accuracy and test accuracy respectively
logreg(x_train,x_test,y_train,y_test)
0.7380281690140845
0.7265917602996255
***Logistic Regression***
Confusion_Matrix
[[101 31]
 [ 42 93]]
Classification Report
              precision recall f1-score
                                             support
                 0.71 0.77
0.75 0.69
           0
                                      0.73
                                                 132
                                                 135
                                      0.72
                                      0.73
                                                 267
    accuracy
               0.73 0.73
0.73 0.73
                                      0.73
                                                 267
   macro avg
weighted avg
                                      0.73
                                                 267
```

Decision Tree Model



Random Forest Model

```
[33] #printing the train accuracy and test accuracy respectively
     RandomForest(x_train,x_test,y_train,y_test)
    0.9859154929577465
    0.6816479400749064
    ***Random Forest***
    Confusion_Matrix
     [[120 12]
     [73 62]]
    Classification_Report
                 precision recall f1-score
                                               support
               0
                     0.62 0.91
                                         0.74
                                                   132
                      0.84
                              0.46
                                         0.59
                                                   135
        accuracy
                                         0.68
                                                   267
       macro avg
                      0.73
                               0.68
                                        0.67
                                                   267
    weighted avg
                      0.73
                               0.68
                                         0.67
                                                   267
```

KNN Model

```
O
    KNN(x_train,x_test,y_train,y_test)
   0.7868544600938967
   0.6966292134831461
    ***KNN***
   Confusion_Matrix
    [[110 22]
    [ 59 76]]
   Classification_Report
                             recall f1-score
                 precision
                                                support
              0
                     0.65
                              0.83
                                         0.73
                           0.55
0.56
                     0.78
                                         0.65
                                                    135
       accuracy
                                         0.70
                                                    267
                  0.71 0.70
0.71 0.70
      macro avg
                                         0.69
                                                    267
   weighted avg
                               0.70
                                         0.69
                                                    267
```

SVN Model

```
'svm(x_train,x_test,y_train,y_test)'
```

ANN Model

```
array([1, 0, 0, ..., 0, 1, 0])
```

```
Epoch 1/200
                                   ===] - 2s 10ms/step - loss: 0.6890 - accuracy: 0.5195 - val_loss: 0.6783 - val_accuracy: 0.5375
Epoch 2/200
                                    ==] - 0s 4ms/step - loss: 0.6600 - accuracy: 0.6564 - val_loss: 0.6409 - val_accuracy: 0.6844
                                    ==] - 0s 4ms/step - loss: 0.6216 - accuracy: 0.7235 - val_loss: 0.6148 - val_accuracy: 0.7000
Epoch 4/200
                                    =] - 0s 4ms/step - loss: 0.5851 - accuracy: 0.7356 - val_loss: 0.6100 - val_accuracy: 0.7000
75/75 [=
                                   ==] - 0s 4ms/step - loss: 0.5547 - accuracy: 0.7517 - val_loss: 0.6014 - val_accuracy: 0.6938
Epoch 6/200
                                    =] - 0s 4ms/step - loss: 0.5379 - accuracy: 0.7611 - val_loss: 0.5874 - val_accuracy: 0.7000
.
75/75 [==:
75/75 [=
                                   ===] - 0s 4ms/step - loss: 0.5151 - accuracy: 0.7718 - val_loss: 0.5976 - val_accuracy: 0.6875
Epoch 8/200
                                    ==] - 0s 3ms/step - loss: 0.4995 - accuracy: 0.7785 - val_loss: 0.5968 - val_accuracy: 0.7094
75/75 [====
Epoch 9/200
                                    ==] - 0s 3ms/step - loss: 0.4850 - accuracy: 0.7906 - val_loss: 0.6335 - val_accuracy: 0.6906
Epoch 10/200
75/75 [==
                                    ==] - 0s 3ms/step - loss: 0.4702 - accuracy: 0.7973 - val_loss: 0.5943 - val_accuracy: 0.7000
Epoch 11/200
                                    ==] - 0s 3ms/step - loss: 0.4631 - accuracy: 0.8094 - val_loss: 0.6274 - val_accuracy: 0.6906
```

```
array([[False],
           [False],
            [ True],
           [False],
            [False],
           [False],
            [ True],
             True],
            [True],
            [ True],
            [ True],
            [True],
           [False],
            [ True],
           [False],
           [ True],
            [True],
           [False],
           [False],
           [False],
           [False],
           [False],
            [ True],
           [Falcal
```

```
0.6404494382022472
***ANN Model***
Confusion_Matrix
[[83 49]
 [47 88]]
Classification_Report
                            recall f1-score
              precision
                                                support
           0
                   0.64
                              0.63
                                         0.63
                                                    132
           1
                   0.64
                              0.65
                                         0.65
                                                    135
                                         0.64
                                                    267
    accuracy
   macro avg
                   0.64
                              0.64
                                         0.64
                                                    267
                   0.64
                              0.64
                                         0.64
                                                    267
weighted avg
```

Testing The Model

```
Predicting on random input
output is: [1]

Predicting on random input
output is: [1]
```

Tuning The Model

```
0.74
   accuracy
                                   0.75
             0.75 0.75
0.75 0.75
  macro avg
                                             267
                                   0.75
weighted avg
                                   0.75
                                             267
0.9990610328638497
0.6367041198501873
***Decision Tree***
Confusion_Matrix
[[82 50]
[47 88]]
Classification_Report
            precision
                      recall f1-score support
                       0.62
                 0.64
                                   0.63
                0.64
                        0.65
                                   0.64
   accuracy
                                   0.64
  macro avg
                 0.64
                       0.64
                                   0.64
weighted avg
                 0.64
                        0.64
                                   0.64
```

```
0.9774647887323944
0.704119850187266
***Random Forest***
Confusion_Matrix
[[111 21]
[ 58 77]]
Classification_Report
              precision
                           recall f1-score support
           0
                  0.66
                            0.84
                                       0.74
                   0.79
                             0.57
                                       0.66
                                       0.70
    accuracy
   macro avg
                   0.72
                             0.71
                                       0.70
weighted avg
                   0.72
                             0.70
                                       0.70
                                                  267
```

```
0.780281690140845
0.6928838951310862
***KNN***
Confusion_Matrix
[[109 23]
[ 59 76]]
Classification_Report
             precision
                         recall f1-score support
                   0.65
                             0.83
                                       0.73
                             0.56
                                       0.65
                   0.77
   accuracy
                                       0.69
                                                  267
                             0.69
                   0.71
                                       0.69
   macro avg
weighted avg
                                       0.69
                                                  267
                   0.71
                             0.69
```

```
0.6404494382022472
**ANN Model**
Confusion_Matrix
[[83 49]
[47 88]]
Classification Report
             precision
                          recall f1-score support
                                      0.63
          0
                  0.64
                            0.63
                            0.65
                                      0.65
                  0.64
                                      0.64
                                                 267
   accuracy
  macro avg
                  0.64
                            0.64
                                      0.64
weighted avg
                  0.64
                            0.64
                                      0.64
                                                 267
```

Comparing model accuracy before & after applying hyperparameter tuning

Integrate With Web Frame Work

Building HTML Pages

```
<!DOCTYPE html>
<html>
<head>
<title>Prediction Form</title>
</head>
<body background="blue.jpg" style="background-repeat:no-repeat; background-size:100%
100%" text='black'>
<h1>
<b>
<i>>
<font size=15>
<center>Prediction Form</center>
</font>
</i>
</b>
</h1>
<div style="background-color:white">
<hr>>
<hr></div>
<h2> Enter the details to check whether Loan is eligible ot not!</h2>
<h4>
<form action="{{url_for('predict')}}" method="post">
<center>
```

```
Gender:
<input type="radio" name="gender" id="male">
<label for="male">Male</label>
<input type="radio" name="gender" id="female">
<label for="female">Female</label><br>
Senior_Citizen:&nbsp&nbsp&nbsp<input type='text' name='Senior_Citizen'
placeholder='Enter 1 for no 0 for yes' required='required'/><br>
Dependents:&nbsp&nbsp&nbsp<input type='text' name='Dependents'
placeholder='Enter 0 for no 1 for yes' required='required' /><br>
Partner:&nbsp&nbsp&nbsp<input type='text' name='Partner' placeholder='Enter 0
for no 1 for yes' required='required' /><br>
Tenure:&nbsp&nbsp&nbsp<input type='text' name='Tenure' placeholder='Enter 0
for 1 for 71' required='required' /><br>
Phone_Service:&nbsp&nbsp&nbsp<input type='text' name='Phone_Service'
placeholder='Enter 0 for no 1 for yes' required='required' /><br>
Multiple_Lines:&nbsp&nbsp&nbsp<input type='text' name='Multiple_Lines'
placeholder='Enter 0 for no 1 for yes 2 for No phone service' required='required' /><br>
```

```
Online_Security:&nbsp&nbsp&nbsp<input type='text' name='Online_Security'
placeholder='Enter 0 for no 1 for yes 2 for No internet service' required='required'/><br>
Online_Backup:&nbsp&nbsp&nbsp<input type='text' name='Online_Backup'
placeholder=' Enter 0 for no 1 for yes 2 for No internet service ' required='required' /><br>
Streaming_TV:&nbsp&nbsp&nbsp<input type='text' name='Streaming_TV'
placeholder='Enter 0 for no 1 for yes 2 for No internet service 'required='required'/><br>
Streaming_Movies:&nbsp&nbsp&nbsp<input type='text'
name='Streaming_Movies' placeholder=' Enter 0 for no 1 for yes 2 for No internet service '
required='required'/><br>
Paper_less_Billing:&nbsp&nbsp&nbsp<input type='text' name='Paper_less_Billing'
placeholder=' Enter 0 for no 1 for yes 'required='required' /><br>
Churn:&nbsp&nbsp&nbsp<input type='text' name='Churn' placeholder=' Enter 0
for no 1 for yes 'required='required'/><br>
\langle tr \rangle
Online Backup:&nbsp&nbsp&nbsp<input type='text' name='Online Backup'
placeholder=' Enter 0 for yes 1 for no 'required='required'/><br>
```

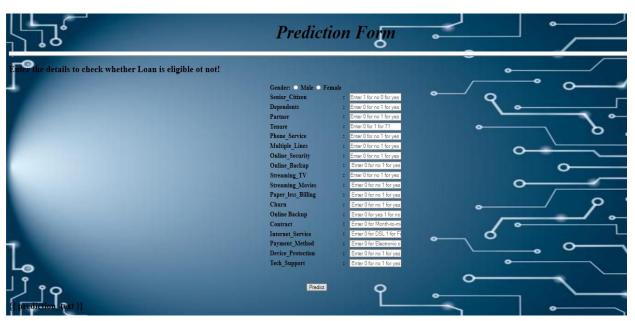
Contract: <input name="Contract" placeholder=" Enter 0 for Month-to-month 1 for One year 2 for Two year " required="required" type="text"/>
Internet_Service: <input name="Internet_Service" placeholder=" Enter 0 for DSL 1 for Fiber optic 2 for No" required="required" type="text"/>
Payment_Method: <input name="Payment_Method" placeholder=" Enter 0 for Electronic check 1 for Credit card (automatic) 2 for Bank transfer (automatic) 3 for Mailed check " required="required" type="text"/>
Device_Protection: <input name="Device_Protection" placeholder=" Enter 0 for no 1 for yes 2 for No internet service" required="required" type="text"/>
Tech_Support: <input name="Tech_Support" placeholder=" Enter 0 for no 1 for yes 2 for No internet service" required="required" type="text"/>
 d>- center>
<h2></h2>

```
<br/>
<f prediction_text }}<br/>
</b>
</h2>
</body>
</html>
```

```
Building Python Code
import flask
from flask import Flask, render_template, request
import pickle
import numpy as np
import sklearn
from flask_ngrok import run_with_ngrok
import warnings
warnings.filterwarnings('ignore')
app = Flask(__name__)
run_with_ngrok(app)
model = pickle.load(open('rdf.pkl', 'rb'))
@app.route('/', methods=['GET'])
def home():
return render_template('index.html')
```

```
@app.route('/', methods=['GET', "POST"])
def predict():
input_values = [float(x) for x in request.form.values()]
inp_features = [input_values]
print(inp_features)
prediction = model.predict(inp_features)
if prediction == 1:
return render_template('index.html', prediction_text='Eligible to loan, Loan will be sanctioned')
else:
return render_template('index.html', prediction_text='Not eligible to loan')
app.run()
```

Run the Web Application



4. ADVANTAGES & DISADVANTAGES

Adavantages:

- ➤ By using machine learning algorithms to analyze customer data, telecom companies can identify customers who are likely to churn and take proactive measures to retain them. This can lead to improved customer retention rates and increased revenue for the company.
- ➤ Intelligent customer retention can also help improve the overall customer experience by identifying areas where customers may be dissatisfied and addressing these issues before they become reasons for churn.
- ➤ It is generally more cost-effective to retain existing customers than to acquire new ones. By using machine learning to predict customer churn and taking proactive measures to retain these customers, telecom companies can save money on customer acquisition costs.
- ➤ Telecom companies that are able to effectively use machine learning for customer retention may have a competitive advantage over those that do not. By retaining more customers and providing a better customer experience, these companies may be able to differentiate themselves in a crowded market.
- ➤ Intelligent customer retention allows telecom companies to make data-driven decisions based on customer behavior and preferences. This can lead to more effective marketing strategies, product development, and customer service initiatives.

Disadvantage:

- The use of machine learning algorithms to analyze customer data raises concerns about data privacy and security. Telecom companies must ensure that they are following all applicable regulations and taking steps to protect customer data.
- ➤ Machine learning algorithms may be biased if the data used to train them is not representative of the entire customer population. This could lead to incorrect predictions and ineffective retention strategies.
- ➤ While machine learning can be a valuable tool for customer retention, it should not be the only strategy used. Telecom companies must also focus on building strong relationships with customers through effective communication and customer service.

- ➤ 4. Implementing machine learning algorithms for customer retention can be expensive, and smaller telecom companies may not have the resources to do so.
- > 5. Machine learning algorithms can be complex and difficult to interpret, which may make it challenging for telecom companies to understand why certain customers are likely to churn and how best to retain them.

5. APPLICATION

- ➤ Telecom customer churn is a common problem faced by service providers. In order to reduce churn and retain customers, telecom companies can leverage machine learning to enhance their prediction capabilities.
- ➤ One approach to intelligent customer retention is to use machine learning algorithms to analyze large amounts of customer data, such as call logs, billing information, and usage patterns. By analyzing this data, algorithms can identify patterns that are predictive of customer churn, such as a decrease in usage, frequent complaints, or missed payments.
- ➤ Once these patterns are identified, telecom companies can use this information to proactively engage with customers who are at risk of churning. This could include targeted marketing campaigns, personalized offers, or proactive customer service outreach.
- Machine learning algorithms can also be used to predict the likelihood of churn for individual customers. This information can be used to prioritize retention efforts and allocate resources more effectively. For example, a customer who is predicted to have a high likelihood of churn may be offered a more personalized retention offer than a customer who is predicted to have a lower likelihood of churn.
- > Overall, by leveraging machine learning to enhance their customer retention capabilities, telecom companies can reduce churn and improve customer satisfaction.
- Customer retention is a critical factor in the telecommunications industry, where companies face fierce competition and high customer churn rates. Machine learning can help telecom companies enhance their customer retention strategies by predicting customer churn and enabling them to take proactive measures to prevent it.
- ➤ To develop a machine learning model for predicting customer churn, telecom companies can use historical customer data such as demographic information, usage patterns, billing history, and customer service interactions.
- The algorithm can then generate a risk score for each customer, which can be used to prioritize retention efforts. For example, customers with high risk scores could receive personalized retention offers, such as discounts or special promotions, to encourage them to stay with the company.
- Another approach is to use machine learning to identify patterns that are associated with customer churn. This could involve analyzing customer interactions with the company's website or mobile app, as well as their usage patterns and behavior. The algorithm can then generate insights into the factors that are driving churn, allowing the company to take targeted action to improve retention.

6. CONCLUSION

- ➤ Telecom companies often use customer churn as a key business metrics to predict the number of customers that will leave a telecom service provider. A machine learning model can be used to identity the probable churn customers and then makes the necessary business decisions.
- > We have developed the machine leaning project using python programming language an the reports are shown the above.

7. FUTURE SCOPE

- Intelligent customer retention is a concept that refers to using advanced technologies like machine learning to predict customer churn and take proactive measures to retain them. In the telecom industry, customer churn is a major concern, and companies are always looking for ways to reduce it. By using machine learning algorithms, telecom companies can predict customer churn with higher accuracy and take steps to prevent it.
- ➤ Telecom companies can integrate IoT devices with their machine learning algorithms to improve customer retention. IoT devices like smart homes, wearables, and connected cars can provide valuable data that can be analyzed to predict customer behavior and preferences.
- ➤ Machine learning algorithms can be used to analyze customer data and create personalized engagement strategies. Telecom companies can use this information to tailor their marketing and communication efforts to each customer, increasing the chances of retaining them.
- Machine learning algorithms can be used to analyze customer service interactions and identify patterns in customer behavior that indicate dissatisfaction. This information can then be used to proactively address issues and prevent customer churn.
- ➤ Telecom companies can use machine learning algorithms to predict when equipment and devices are likely to fail. This can help companies proactively replace or repair equipment before it fails, reducing the likelihood of service interruptions and customer churn.
- ➤ Machine learning algorithms can be used to analyze customer data and identify patterns of fraudulent behavior. This can help telecom companies proactively detect and prevent fraud, reducing the risk of financial loss and increasing customer trust.
- ➤ Overall, machine learning has the potential to revolutionize the telecom industry by improving customer retention, reducing churn, and enhancing the overall customer experience. By investing in advanced technologies like machine learning, telecom companies can stay ahead of the competition and continue to provide high-quality services to their customers.

8. APPENDIX

Source Code:

Importing the libraries:

import pandas as pd

import numpy as np

import pickle

import matplotlib.pyplot as plt

% matplotlib inline

import seaborn as sns

import sklearn

from sklearn.preprocessing import LabelEncoder, OneHotEncoder

from sklearn.linear_model import LogisticRegression

from sklearn.tree import DecisionTreeClassifier

from sklearn.ensemble import RandomForestClassifier

from sklearn.neighbors import KNeighborsClassifier

from sklearn.svm import SVC

 $from \ sklearn.model_selection \ import \ Randomized Search CV$

import imblearn

from imblearn.over_sampling import SMOTE

from sklearn.model_selection import train_test_split

from sklearn.preprocessing import StandardScaler

 $from \quad sklearn.metrics \quad import \quad accuracy_score, \quad classification_report, \quad confusion_matrix, \\ fl_score$

Read the dataset

data = pd.read_csv("/content/Telecom Churn Rate Dataset.csv")

data

Handling missing values:

```
data.info()
```

data.isnull().any()

data.isnull().sum()

Handling Categorial Values

Label Encoding.

```
data['Gender']=data['Gender'].replace({'Male': 0,'Female':1})
data['Senior_Citizen']=data['Senior_Citizen'].replace({'Yes': 0,'No':1})
data['Dependents']=data['Dependents'].replace({'No': 0,'Yes':1})
data['Partner']=data['Partner'].replace({'No': 0,'Yes':1})
data['Tenure']=data['Tenure'].replace({'1': 0,'71':1})
data['Phone Service']=data['Phone Service'].replace({'No': 0,'Yes':1})
data['Multiple_Lines']=data['Multiple_Lines'].replace({'No': 0,'Yes':1,'No phone service':2})
data['Online_Security']=data['Online_Security'].replace({'No':
                                                                    0,'Yes':1,'No
                                                                                       internet
service':2})
data['Online_Backup']=data['Online_Backup'].replace({'No':
                                                                   0,'Yes':1,'No
                                                                                       internet
service':2})
data['Streaming_TV']=data['Streaming_TV'].replace({'Yes': 0,'No':1,'No internet service':2})
data['Streaming_Movies']=data['Streaming_Movies'].replace({ 'Yes': 0,'No':1,'No
                                                                                       internet
service':2})
data['Paper_less_Billing']=data['Paper_less_Billing'].replace({'No': 0,'Yes':1})
data['Churn']=data['Churn'].replace({ 'Yes': 0,'No':1})
data['Contract']=data['Contract'].replace({'Month-to-month': 0,'Two year':2,'One year':1})
data['Internet_Service']=data['Internet_Service'].replace({'DSL': 0,'Fiber optic':1,'No':2})
```

```
data['Payment_Method']=data['Payment_Method'].replace({'Electronic check': 0,'Credit card (automatic)':1,'Bank transfer (automatic)':2,'Mailed check':3})

data['Device_Protection']=data['Device_Protection'].replace({'No': 0,'Yes':1,'No internet service':2})

data['Tech_Support']=data['Tech_Support'].replace({'No': 0,'Yes':1,'No internet service':2})
```

Data after label encoding

```
data.head()
data.info()
x= data.iloc[:,0:20].values
y= data.iloc[:,21:].values
x
y
```

One Encoding

```
from sklearn.preprocessing import OneHotEncoder
```

```
one = OneHotEncoder()
a= one.fit_transform(x[:,6:7]).toarray()
b= one.fit_transform(x[:,7:8]).toarray()
c= one.fit_transform(x[:,8:9]).toarray()
d= one.fit_transform(x[:,9:10]).toarray()
e= one.fit_transform(x[:,10:11]).toarray()
f= one.fit_transform(x[:,11:12]).toarray()
g= one.fit_transform(x[:,12:13]).toarray()
h= one.fit_transform(x[:,13:14]).toarray()
i= one.fit_transform(x[:,14:15]).toarray()
j= one.fit_transform(x[:,15:16]).toarray()
x=np.delete(x,[6,7,8,9,10,11,12,13,14,16], axis=1)
x=np.concatenate((a,b,c,d,e,f,g,h,i,j,x), axis=1)
```

Handling Imbalance Data

```
from imblearn.over_sampling import SMOTE
smt = SMOTE()
x_resample, y_resample=smt.fit_resample(x,y)
x_resample
y_resample
EXPLORATORY DATA ANALYSIS
data.descirbe()
Visual analysis
Univariate analysis
plt.figure(figsize=(12,5))
plt.subplot(1,2,1)
sns.distplot(data["Tenure"])
plt.subplot(1,2,2)
sns.distplot(data["Monthly_Charges"])
Countplot :-
plt.figure(figsize=(12,5))
plt.subplot(1,2,1)
sns.countplot(data["Gender"])
plt.subplot(1,2,2)
sns.countplot(data["Dependents"])
Bivariate analysis
sns.barplot(x="Churn",y="Monthly_Charges",data=data)
Multivariate analysis
sns.heatmap(data.corr(), annot=True)
```

sns.pairplot(data=data, markers=["^","v"], hue='Churn',palette="inferno")

Splitting data into train and test

```
from sklearn.model_selection import train_test_split

x_train,x_test,y_train,y_test = train_test_split(x_resample,y_resample,test_size=0.2,
random_state=0)

from sklearn.preprocessing import StandardScaler

sc = StandardScaler()

x_train = sc.fit_transform(x_train)

x_test = sc.fit_transform(x_test)

y_train.shape

x_train.shape
```

PERFORMANCE TESTING

Training the model in multiple algorithms

Logistic Regression Model

```
#importing and building the LogisticRegression model
def logreg(x_train,x_test,y_train,y_test):
lr = LogisticRegression(random_state=0)
lr.fit(x_train,y_train)
y_lr_tr = lr.predict(x_train)
print(accuracy_score(y_lr_tr,y_train))
yPred_lr = lr.predict(x_test)
print(accuracy_score(yPred_lr,y_test))
print("**Logistic Regression**")
print("Confusion_Matrix")
print(confusion_matrix(y_test,yPred_lr))
print("Classification_report(y_test,yPred_lr))
```

```
#printing the train accuracy and test accuracy respectively
logreg(x_train,x_test,y_train,y_test)
Decision tree model
#importing and building the Decision tree model
def decisionTree(x_train,x_test,y_train,y_test):
dtc = DecisionTreeClassifier(criterion="entropy",random_state=0)
dtc.fit(x_train,y_train)
y_dt_tr = dtc.predict(x_train)
print(accuracy_score(y_dt_tr,y_train))
yPred_dt = dtc.predict(x_test)
print(accuracy_score(yPred_dt,y_test))
print("**Decision Tree**")
print("Confusion_Matrix")
print(confusion_matrix(y_test,yPred_dt))
print("Classification_Report")
print(classification_report(y_test,yPred_dt))
#printing the train accuracy and test accuracy respectively
decisionTree(x_train,x_test,y_train,y_test)
Random forest model
#importing and buliding the random forest model
def RandomForest(x_train,x_test,y_train,y_test):
rf = RandomForestClassifier(criterion="entropy",n_estimators=10,random_state=0)
rf.fit(x_train,y_train)
y_rf_tr = rf.predict(x_train)
print(accuracy_score(y_rf_tr,y_train))
```

```
yPred_rf = rf.predict(x_test)
print(accuracy_score(yPred_rf,y_test))
print("**Random Forest**")
print("Confusion_Matrix")
print(confusion_matrix(y_test,yPred_rf))
print("Classification_Report")
print(classification_report(y_test,yPred_rf))
#printing the train accuracy and test accuracy respectively
RandomForest(x_train,x_test,y_train,y_test)
KNN model
#importing and buliding the KNN model
def KNN(x_train,x_test,y_train,y_test):
knn = KNeighborsClassifier()
knn.fit(x_train,y_train)
y_{knn_tr} = knn.predict(x_train)
print(accuracy_score(y_knn_tr,y_train))
yPred_knn = knn.predict(x_test)
print(accuracy_score(yPred_knn,y_test))
print("**KNN**")
print("Confusion_Matrix")
print(confusion_matrix(y_test,yPred_knn))
print("Classification_Report")
print(classification_report(y_test,yPred_knn))
#printing the train accuracy and test accuracy respectively
KNN(x_train,x_test,y_train,y_test)
```

SVM model

```
#importing and buliding the SVM model
def svm(x_train,x_test,y_train,y_test):
svm = SVC(kernel = 'linear',gamma = 'scale', shrinking = False,)
svm.fit(x_train,y_train)
y_svm_tr = svm.predict(x_train)
print(accuracy_score(y_svm_tr,y_train))
yPred_svm = svm.predict(x_test)
print(accuracy_score(yPred_svm,y_test))
print("**Support Vector Machine**")
print("Confusion_Matrix")
print(confusion_matrix(y_test,yPred_svm))
print("Classification_Report")
print(classification_report(y_test,yPred_svm))
#printing the train accuracy and test accuracy respectively
"""svm(x train,x test,y train,y test)"""
ANN model
import tensorflow as tf
from tensorflow.python import keras
from keras import layers
from keras.layers import Activation,Dense
classifier = keras.Sequential()
classifier.add(Dense(units=30, activation='relu', input_dim=40))
classifier.add(Dense (units=30, activation='relu'))
classifier.add(Dense(units=1, activation='sigmoid'))
```

```
classifier.compile(optimizer='adam',loss='binary_crossentropy', metrics=['accuracy'])
classifier.add(Dense(units=30, activation= 'relu', input_dim=40))
classifier.add(Dense(units=30, activation= 'relu'))
classifier.add(Dense(units=1, activation= 'sigmoid'))
classifier.compile(optimizer='adam', loss='binary_crossentropy', metrics=['accuracy'])
x train
y_train
# Fitting the AVM to the Training set
model_history =
                     classifier.fit(x_train, y_train,
                                                      batch_size=10,
                                                                        validation_split=0.3,
epochs=200)
ann_pred = classifier.predict(x_test)
ann_pred = (ann_pred > 0.5)
ann_pred
print(accuracy_score(ann_pred,y_test))
print("**ANN Model**")
print("Confusion_Matrix")
print(confusion_matrix(y_test,ann_pred))
print("Classification_Report")
print(classification_report(y_test,ann_pred))
Testing the model
lr = LogisticRegression(random_state=0)
lr.fit(x_train,y_train)
print("Predicting on random input")
```

```
lr_pred_own =
1,0,3245,4567]]))
print("output is:",lr_pred_own)
dtc = DecisionTreeClassifier(criterion="entropy", random_state=0)
dtc.fit(x_train,y_train)
print("Predicting on random input")
dtc_pred_own =
,1,0,3245,4567]]))
print("output is:",dtc_pred_own)
rf = RandomForestClassifier(criterion="entropy",n_estimators=10,random_state=0)
rf.fit(x_train,y_train)
print("Predicting on random input")
rf_pred_own =
1,0,3245,4567]]))
print("output is:",rf_pred_own)
from sklearn.svm import SVC # "Support vector classifier"
svm = SVC(kernel='linear', random_state=0)
svm.fit(x_train, y_train)
#svm = RandomForestClassifier(criterion="entropy",n_estimators=10, random_state=0)
#svm.fit(x_train,y_train)
print("Predicting on random input")
svm_pred_own =
6,1,0,3245,4567]]))
print("output is:",svm_pred_own)
```

```
knn = RandomForestClassifier(criterion="entropy",n_estimators=10, random_state=0)
knn.fit(x_train,y_train)
print("Predicting on random input")
knn_pred_own
1,0,3245,4567]]))
print("output is:",knn_pred_own)
ANFor N
print("Predicting on random input")
ann_pred_own
classifier.predict(sc.transform([[0,1,1,0,0,0,0,1,0,0,1,0,0,1,0,0,1,0,0,1,0,0,1,0,0,1,0,0,1,0,0],1,0,0,1,0,0,1,0,0,1,0,0,1,0,0,1,0,0,1,0,0,1,0,0,1,0,0,1,0,0,1,0,0,1,0,0,1,0,0,1,0,0,1,0,0]
,0,456,1,0,3245,4567]]))
print(ann_pred_own)
ann_pred_own = (ann_pred_own>0.5)
print("output is: ",ann_pred_own)
TUNNING THE MODEL
Compare the model
def compareModel(x_train,x_test,y_train,y_test):
logreg(x_train,x_test,y_train,y_test)
print('_'*100)
decisionTree(x_train,x_test,y_train,y_test)
print('_'*100)
RandomForest(x_train,x_test,y_train,y_test)
print('_'*100)
KNN(x_train,x_test,y_train,y_test)
print('_'*100)
#svm(x_train,x_test,y_train,y_test)
#print('_'*100)
```

```
compareModel(x_train,x_test,y_train,y_test)
print (accuracy_score(ann_pred,y_test))
print("*ANN Model*")
print("Confusion_Matrix")
print(confusion_matrix(y_test,ann_pred))
print("Classification Report")
print(classification_report(y_test,ann_pred))
Comparing
                                            before &
                                                                   after
                                                                             applying
                  model
                               accuracy
hyperparameter tuning
from sklearn import model_selection
models=['dt',DecisionTreeClassifier(),
'rf',RandomForestClassifier(),'svm',SVC(),'knn',KNeighborsClassifier()]
rf = RandomForestClassifier(criterion="entropy",n_estimators=10,random_state=0)
rf.fit(x_train,y_train)
y_rf = rf.predict(x_train)
print(accuracy_score(y_rf,y_train))
yPred_rfcv = rf.predict(x_test)
print(accuracy_score(yPred_rfcv,y_test))
print("**Random Forest after Hyperparameter tuning**")
print("Confusion_Matrix")
print(confusion_matrix(y_test,yPred_rfcv))
print("Classification Report")
print(classification_report(y_test,yPred_rfcv))
print("Predicting on random input")
```

