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SyriaTel Customer Churn Prediction Strategies

Strategic Insights for Enhancing Revenue and Improving Customer Retention



Understanding Customer Churn

Analyzing its impact on business performance and market position

■ Definition of Customer Churn

Customer Churn refers to when customers stop doing business with us and switch to competitors, significantly affecting our bottom line.

■ Cost Impact of Churn

Acquiring new customers costs **5-25 times** more than retaining existing ones, emphasising the need for effective retention strategies.

■ Revenue Loss

Each **churned customer** represents lost monthly recurring revenue, stressing the importance of understanding and mitigating churn.

■ Market Share Consequences

High churn rates signal competitive disadvantages, potentially leading to reduced **market share** and brand reputation.

■ Growth Limitations

High churn creates a '**leaky bucket**' effect on business growth, making it vital to implement strong retention strategies.



Predictive Analytics Advantage

Enhancing Customer Retention Strategies



Early Warning System

Our **Early Warning System** identifies churn risk up to 30 days in advance, allowing for timely intervention.



Data-Driven Decisions

Replace guesswork with **scientific precision** through thorough data analysis for informed decision-making.



Proactive Customer Care

Gain a **competitive edge** by implementing proactive strategies for customer care over reactive competitors.



Evaluating Model Performance

Analysing predictive metrics for customer retention strategies

ROC-AUC Score

85%+

Indicates **excellent** predictive performance of our **Gradient Boosting** model.

Precision

High

Demonstrates **high accuracy** in identifying **true churn risks** among customers.

Recall

Majority

Ensures that a **majority of at-risk customers** are accurately **identified**.

Identifying Churn Drivers in Telecom

Understanding key factors influencing customer retention and churn rates

Total Charges (45%)

High monthly bills are the strongest predictor of customer churn, indicating a need for pricing strategies.

Customer Service Calls (12%)

Frequent **service interactions** signal customer frustration, highlighting areas for improvement in support services.

Voicemail Usage Patterns (8%)

Changes in **communication behaviour** may indicate service issues, allowing for early intervention.



Strategic Recommendations for Retention

Implement actionable strategies to reduce customer churn effectively



Implement Billing-Based Retention

Establish automated alerts for customers with high bills to proactively address potential churn risks.



Transform Customer Service Operations

Train service representatives to identify and flag at-risk customers during interactions, enhancing retention efforts.



Deploy Real-Time Risk Monitoring

Utilise a daily dashboard to monitor high-risk customers, allowing for immediate and effective intervention.





Churn Reduction Roadmap

Strategic phases for retention success



Implement **automated monitoring** for the **top churn drivers** identified in initial analysis.

Phase 2 - Systematic Prevention

Next 90 Days



Next 30 Days

Phase 1 - Immediate Wins

Target **high-risk** customers with **personalised** campaigns to quickly enhance retention.



Next 180 Days

Phase 3 - Competitive Advantage

Develop comprehensive **customer lifetime value models** to inform long-term strategy.



Revenue Protection

Prevent **churn-related revenue loss** by implementing proactive retention strategies that keep customers engaged and satisfied.



Cost Optimization

Reduce unnecessary **retention spending** by accurately targeting resources towards customers most likely to churn, ensuring maximum efficiency.



Market Share

Maintain a competitive position through superior **customer retention**, allowing for sustained growth and increased market presence.

Business Impact of Retention Strategies

Enhancing revenue and optimising costs through effective customer retention practices.

Let's Take Action on Retention

Any Questions?

