

REASON FOR CUSTOMER CHURN:

The fundamental reasons for customer churn are divided into two groups: accidental and intentional. Accidental churn happens when the conditions are changing so keeps the clients from utilizing the services later on, for instance financial conditions that make benefits unreasonably costly for the client.

Intentional churn happens when the clients change to another organization that gives comparable services, like better ideas from rivalry, further developed services and better cost for a similar service.

Most Important factors which lead to customer churn is Price offered to customer, benefits provided, number of years the customer is involved to the organization.

DATA REQUIRED:

It is very important for us to understand the various attributes of a customer. We would need to understand the types of services and the price they are offered; various other customer relationships attributes such as (type of company, discounts, maintenance periods, etc.)

DATA SCIENCE PROBLEM:

The Data Science objective behind the problem statement is to build a machine learning model which predicts customer churn and also gives insights into the influencing factors and prescribe potential solutions to avoid churn. The most frequently used techniques for this purpose are learning algorithms for classification, like decision trees, logistics regression, k-nearest neighbours, Naïve Bayes, neural networks, etc.

