

Project II – To Churn or not to Churn

You are still working with the churn data but now you have two different tasks to take care:

1. Your boss asked to create a model for prediction of churn, you need to predict who is going to churn in order to offer him a better program. Now you care only about prediction. You need to employ at least two methods, compare them and demonstrate their predictive ability. Do you need all variables?

2. At the same time the marketing department wants to cluster the users so as to be able to run different marketing strategies. They care about clustering based on the usage behavior of the client. Please help them. Ignore any information about churn, you care only on the usage.

For both, you need to explain the methods you have used, select the variables you think as useful, check how good is your prediction/clustering.

For your report keep in mind that your report will be consider by someone with small knowledge of the methods so you need to explain them in a rigorous but simple way.

Avoid using output from R. You need one report which can have different sections.

You need to upload two files and not one zip.

- a. the report in doc or pdf format
- b. , the R code

Deadline 11/4/2018, 23.59.

After that date you loose 2 points for every day of delay