

## Group Project XL Files

```
install.packages("caret") library(caret) library(dplyr) install.packages("tidyverse") library(tidyverse) in-
stall.packages("cluster") library(cluster) install.packages("factoextra") library(factoextra) install.packages("cowplot")
library(cowplot) library(ggplot2) install.packages("tidyr") library(tidyr) library(dplyr) install.packages("tidyverse")
library(tidyverse) install.packages("cluster") library(cluster) install.packages("devtools") library(devtools)
install.packages("fpc") library(fpc) install.packages("ggcorrplot") library(ggcorrplot) library(fastDummies)
install.packages("VIM") library(VIM) library(pROC) library(ggcorrplot) library(gmodels) library(rpart)
library(corrplot) library(ROCR) library(ISLR) library(dplyr) library(caret) library(VIM) library(tidyr)
library(pROC) library(ggcorrplot) library(ggplot2)
```

```
Churn_Train <- read_csv("Churn_Train.csv") churnTrain <- read_csv("Churn_Train.csv")
```

### Examining the dataset

```
head(churnTrain) summary(churnTrain) glimpse(churnTrain)
```

### From glimpse we can see that, Some of the character variables can be converted into factors, So Converting

```
#character variables to factors. churnTrain <- churnTrain%>% mutate_if(is.character, as.factor)
```

### Checking NULL values in the dataset at column level.

```
colSums(is.na(churnTrain))
```

```
#Review fields with NAs #Create a dataframe where we are seeing any record that has a null value churn-
Train_NA <- churnTrain[!complete.cases(churnTrain),]
```

```
#Working to populate those values that are null using K-Nearest Neighbor to see how it affects the data.
All of the #fields in the vector are those with records that have NA's. Churn_Train_NA_Updated <-
kNN(churnTrain, variable = c("account_length", "number_vmail_messages", "total_day_minutes", "total_day_calls", "total_
k=7)
```

```
#removing the fields created by the K-Nearest Neighbor Method Churn_Train_NA_Updated_Final <-
Churn_Train_NA_Updated %>% select(-one_of("total_intl_calls_imp", "total_intl_minutes_imp", "total_eve_minutes_
imp"))
```

```
#Replaced fields that had negative values with the absolute value of those records Churn_Train_NA_Updated_Finalaccount_
length <- abs(Churn_Train_NA_Updated_Finalaccount_length[Churn_Train_NA_Updated_Finalaccount_length<0])
```

```
Churn_Train_NA_Updated_Finalnumber_vmail_messages[Churn_Train_NA_Updated_Finalnumber_vmail_messages<0]
<- abs(Churn_Train_NA_Updated_Finalnumber_vmail_messages[Churn_Train_NA_Updated_Finalnumber_vmail_messages<0])
```

```
#Process for selecting only numeric variables and removing any non-complete (any null values in any field)
records #and using corrplot to visualize any possible correlations of numerical values churn_numerical <-
Churn_Train_NA_Updated_Final %>% select(-one_of("state", "area_code", "international_plan", "voice_mail_plan", "churn"))
```

```
corrplot(corr(churn_numerical),method="square", col=colorRampPalette(c("purple","orange"))(200))
```

#Also wanted to look to see what data have outliers or have a significant variation in value. Created boxplot for all of #the numerical categories.

```
Churn_Train_NA_Updated_Final%>% select_if(is.numeric) %>% mutate_all(scale) %>% gather("features","values")
%>% na.omit() %>% ggplot(aes(x = features, y = values)) + geom_boxplot(show.legend = FALSE)
+ stat_summary(fun = mean, geom = "point", pch = 1) + # Add average to the boxplot
scale_y_continuous(name = "Variable values", minor_breaks = NULL) + scale_fill_brewer(palette
= "Set1") + coord_flip() + theme_minimal() + labs(x = "Variable names") + ggtitle(label = "Distribu-
tion of numeric variables in Churn dataset")
```

```
#creation of Churn Proportion Chart ggplot(Churn_Train_NA_Updated_Final, aes(x=churn,
y=..prop..,group = 1)) + geom_bar(fill="light blue") + theme_classic() + geom_text(aes(label=round(..prop..,2)),stat
= "count", position = position_stack(vjust=0.5)) + labs(y = 'Proportion', title = "Proportion of churn")
+ scale_x_discrete(labels = c("No","Yes"))
```

```
#Reviewing the frequency tables for categorical variables table(Churn_Train_NA_Updated_Finalchurn)table(ChurnTrain,
Churn_Train_NA_Updated_Finalstate)table(ChurnTrainNAUpdatedFinalchurn, Churn_Train_NA_Updated_Finalinte
Churn_Train_NA_Updated_Finalvoice_mail_plan)table(ChurnTrainNAUpdatedFinalchurn, Churn_Train_NA_Updated_
```

## Changing any categorical variables (outside of state and churn to binary - 0 or 1).

```
Churn_Data <- Churn_Train_NA_Updated_Final%>% select(-state, -churn) %>% fastDum-
mies::dummy_cols(.) %>% mutate(state = Churn_Train_NA_Updated_Finalstate, churn = ChurnTrainNAUpdatedFinal
```

```
#Removing fields that will not be used for modeling purposes. Churn_Data <- Churn_Data %>% select(-
one_of("area_code","international_plan","state","voice_mail_plan","area_code_area_code_510","international_plan_no
```

## Pre-Processing of data for model

### Splitting dataset into training (80%) and validation (20%) sets

```
set.seed(123) index <- createDataPartition(Churn_Data$churn, p=0.8, list=FALSE) Churn_Data_train_df
<- Churn_Data[index,] Churn_Data_test_df <- Churn_Data[-index,]
```

## Model Construction

```
Model_1 <- glm(churn ~ ., data = Churn_Data_train_df , family= "binomial") summary(Model_1)
```

### Predicting values using based on Model\_1.

```
pred_probs <- predict(object = Model_1,Churn_Data_test_df , type = "response")
```

### Assigning labels based on probability prediction

```
Model_Pre_labels <- as.factor(ifelse(pred_probs>0.6 , "yes", "no"))
```

## Performance Metrics

### Confusion matrix for significant variable model.

```
confusionMatrix(Model_Pre_labels,Churn_Data_test_df$churn)
#True positive Rate vs. False Positive Rate pred <- prediction(pred_probs, Churn_Data_test_df$churn)
roc.perf = performance(pred, measure = "tpr", x.measure = "fpr") plot(roc.perf) abline(a=0, b= 1)
```

### AUC of the churn model

```
roc(Churn_Data_test_df$churn, pred_probs) auc.perf = performance(pred, measure = "auc") auc.perf@y.
values
```

### accuracy vs. cutoff value

```
acc.perf = performance(pred, measure = "acc") plot(acc.perf)
```

## Prediction's File

### Applying the model to the Customers to Predict data file

#### Load the data file

the below address is specific to me and where I housed the file

```
load("C:/Users/xlamo/Desktop/XanLamoreux/Group Project/Customers_To_Predict.RData")
```

### creating a copy to work with

```
customer_predict <- Customers_To_Predict
```

### removing the state column as it is not necessary

```
customer_predict <- customer_predict %>% select(-state) %>% fastDummies::dummy_cols(., re-
move_selected_columns = TRUE)
```

## Transformation for scaling the data (Z score transformation)

```
customer_predict <- as.data.frame(scale(customer_predict))
#predicting the model with the test data — using the Model_1 file created earlier predict_labels <- pre-
dict(object=Model_1,customer_predict,type="response")
```

**applies the probability ratio if under 60% customer will not churn**

```
Model_Pre_labels_2 <- as.factor(ifelse(predict_labels>0.6 ,“yes”,“no”))
```

**adding churn column and attaching the predictor from the model**

```
Customers_To_Predict <- Customers_To_Predict %>% mutate(churn=Model_Pre_labels_2)
```

**visual of the results which shows**

```
table(Customers_To_Predict$churn)
```

```
View(Customers_To_Predict)
```