

Predicting Churning Customers

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From Data Science Initiative

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Introduction



The problem is to predict the "churned customers" for the bank managers



- 1. Empower CRM and customer experience teams to be creative and proactive in their engagement with the customer
- 2. Retain existing customers



Dataset comes from LEAPS with 21 columns and 10127 data points



It is a classification problem



Exploratory Data Analysis

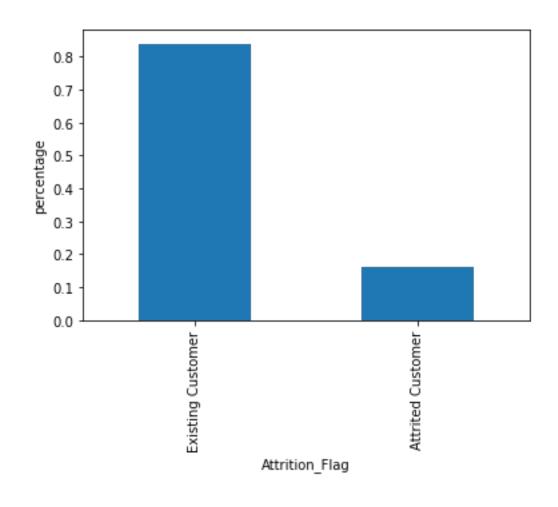


Figure 1 Distribution of Target variable

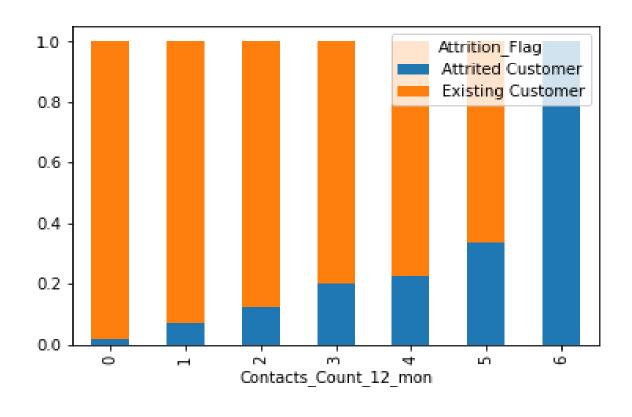


Figure 2 The distribution of the number of contacts across two different customers



Exploratory Data Analysis

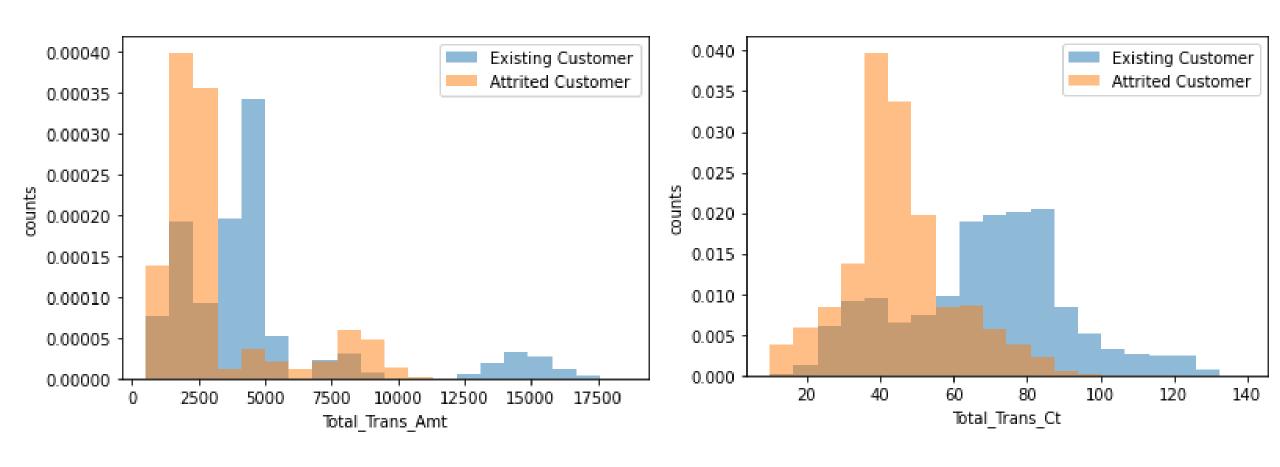


Figure 3 The distribution of total transaction amount across two different customers

Figure 4 The distribution of total transaction count across two different customers



Splitting and Preprocessing



Stratify method; train, val, test = 0.6, 0.2, 0.2



OneHotEncoder for category features like gender and marital status OrdinalEncoder for ordinary features like education level...

StandardScalar for continuous features like total transaction count...



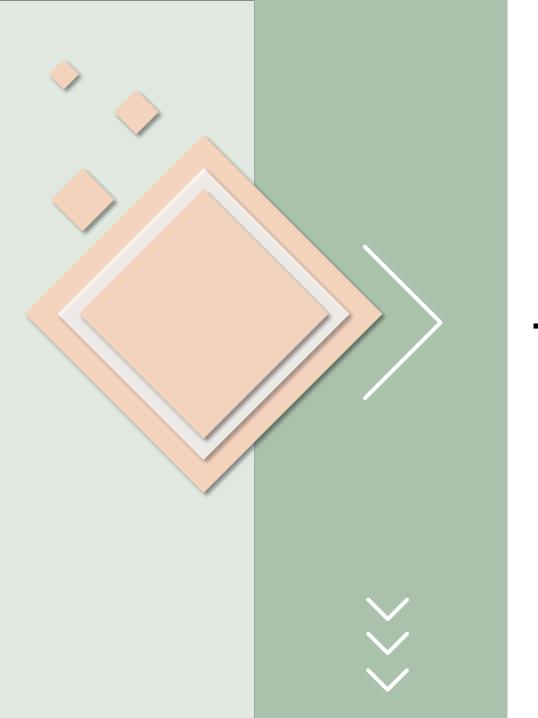
Missing Value: "unknown" in some demographic variables
Treat them as a new category



LabelEncoder for target variable



Train size = (8477, 24), validation size = (3649,24), test size = (3644,24)



Thanks for listening

END