# Feature Engineering – Simplified Spec

#### **Guardrails**

- Only use data available on or before asof\_date (to prevent leakage).
- The label is churned. Do not use it as a feature.

#### **Data Cleaning & Fixes**

- Dates → parse as proper dates: asof\_date, signup\_date, last\_login\_date.
- Auto-renew flags → collapse into one:

```
o auto_renew_enabled = 1 if auto_renew_enabled_True == True
```

- o auto\_renew\_enabled = 0 if auto\_renew\_enabled\_False == True
- Add auto\_renew\_enabled\_missing if neither present.
- Plans  $\rightarrow$  one-hot encode subscription\_plan\_le  $\rightarrow$  plan\_0, plan\_1, plan\_2.
- Drop: auto\_renew\_enabled\_False, auto\_renew\_enabled\_True, subscription\_plan\_le (optional), ingest\_ts.

#### **Missing Data Rules**

- last\_login\_date missing →
  - o last\_login\_missing = 1

```
o days_since_last_login = 9999 (sentinel)
```

• For other numeric columns: impute later (median or zero) + create <col>\_missing flag.

#### **Row-Level Derived Features**

```
• tenure_days = asof_date - signup_date
```

```
days_since_last_login = asof_date - last_login_date (or 9999 if missing)
```

```
inactive_30d = 1 if days_since_last_login > 30
```

```
inactive_90d = 1 if days_since_last_login > 90
```

```
• new_user_30d = 1 if tenure_days ≤ 30
```

```
• tickets_per_30d = support_tickets_last_90d / 3
```

```
session_hours = avg_session_length_minutes / 60
```

```
• email_open_rate_30d = email_opens_last_30d (already in [0,1] if rate)
```

### **Seasonality Features**

```
asof_month = month(asof_date) ∈ {1..12}
```

Cyclical encoding:

```
\circ asof_month_sin = sin(2\pi * asof_month / 12)
```

```
\circ asof_month_cos = cos(2\pi * asof_month / 12)
```

### **Auto-Renew Logic**

- auto\_renew\_off = 1 if auto\_renew\_enabled == 0
- auto\_renew\_off\_and\_inactive\_30d = auto\_renew\_off AND inactive\_30d

#### **Interaction Features**

- tenure\_x\_auto\_renew\_off = tenure\_days \* auto\_renew\_off
- inactivity\_x\_email = days\_since\_last\_login \* (1 email\_open\_rate\_30d)
- tickets\_x\_recency = tickets\_per\_30d \* inactive\_30d

# Trend Features (if multiple snapshots per customer)

- Sort by asof\_date within customer\_id
- Changes vs. previous snapshot:
  - delta\_email\_opens\_30d
  - delta\_session\_hours
  - o delta\_tickets\_30d
- Rolling means (3 snapshots, min 2):
  - rollmean\_email\_3, rollmean\_session\_3, rollmean\_tickets\_3

#### **Scaling / Normalization**

- For linear/KNN/SVM models:
  - Z-score: session\_hours, email\_open\_rate\_30d, tickets\_per\_30d, monthly\_spend (if not already in [0,1])
  - Robust/log1p + clip at P99: tenure\_days, days\_since\_last\_login (ignore sentinel 9999)
- For tree/boosting models:
  - Only clip extreme outliers at P99
  - Keep binary/one-hot as 0/1

## Final Column Groups (besides keys/label)

- Keys: customer\_id, asof\_date
- Dates: signup\_date, last\_login\_date
- One-hot: plan\_0, plan\_1, plan\_2
- Engagement: session\_hours, email\_open\_rate\_30d, inactive\_30d, inactive\_90d, new\_user\_30d
- Support: tickets\_per\_30d
- Tenure/Recency: tenure\_days, days\_since\_last\_login, last\_login\_missing
- Auto-renew: auto\_renew\_enabled, auto\_renew\_off, auto\_renew\_off\_and\_inactive\_30d
- Interactions: tenure\_x\_auto\_renew\_off, inactivity\_x\_email, tickets\_x\_recency
- Trends (if available): deltas + rollmeans

- Missing flags: <col>\_missing as needed
- Label (separate): churned