

# PROBLEM STATEMENT

Telecom companies often lose many customers because of strong competition in the market. When customers switch to another provider, it's called **customer churn**, and it causes a big loss in revenue. Predicting which customers are likely to leave can help companies take action in time and improve customer retention.

This project, “**Predicting Telecom Customer Churn Using SPSS and Logistic Regression**,” is designed to build a model that can find customers who are at risk of leaving. Two main datasets are used — **Customer Information** and **Usage Billing**. These datasets are merged, cleaned, and prepared for analysis in **IBM SPSS Modeler**.

Different nodes like **Merge**, **Select**, **Type**, and **Filter** are used to organize and process the data. Then, a **Logistic Regression model** is applied to identify which customers are likely to churn. The final output gives a list of customers marked as “At Risk.”

The project follows the **CRISP-DM process**, which includes steps such as Business Understanding, Data Preparation, Modeling, and Evaluation. This ensures that the project is well-structured and easy to understand.

In the end, the model helps telecom companies understand their customers better, reduce churn, and plan better marketing strategies. This project shows how SPSS can be used effectively for predictive analytics in real business situations.