

# Predicting Churn for Non-contractual Business

---

How to know when a customer  
has churned?

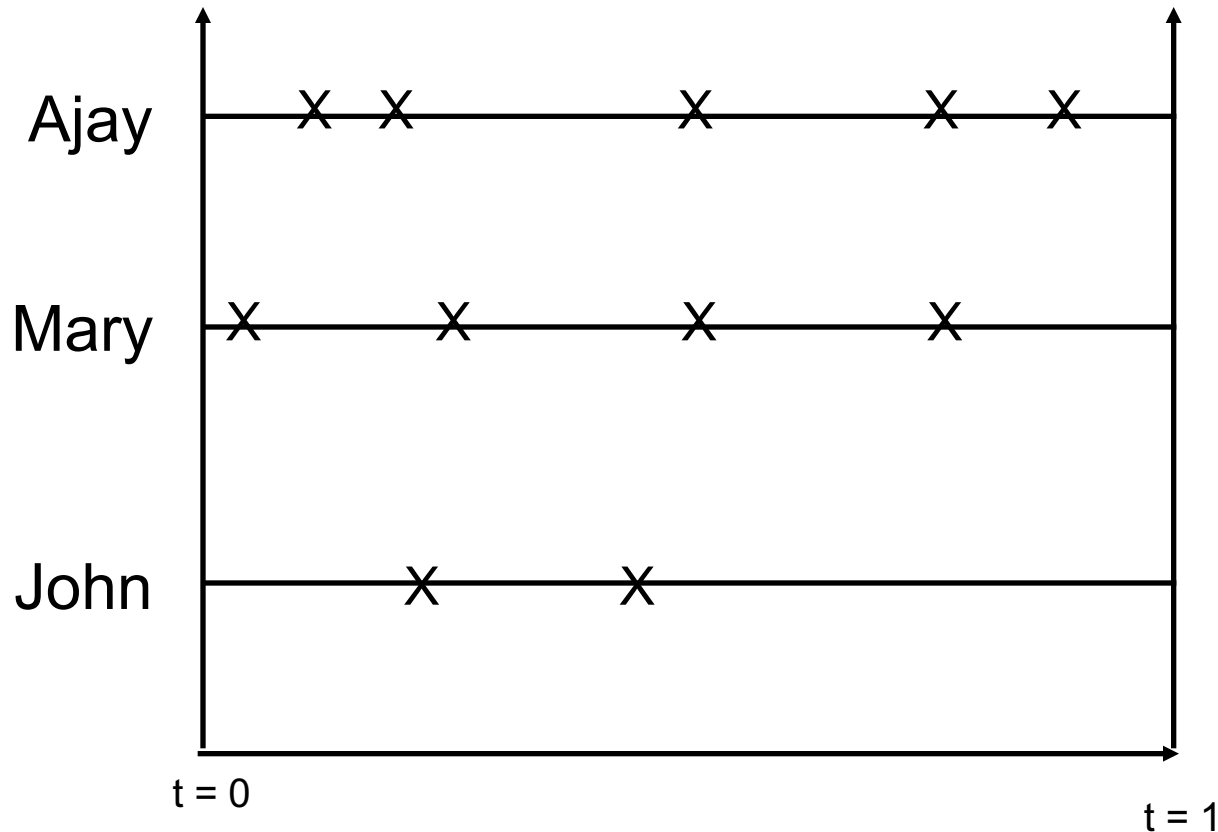
# Noncontractual Settings

---

- Example: retail
- Inactive customers may be dormant or could have churned

# Which Customers Are Active?

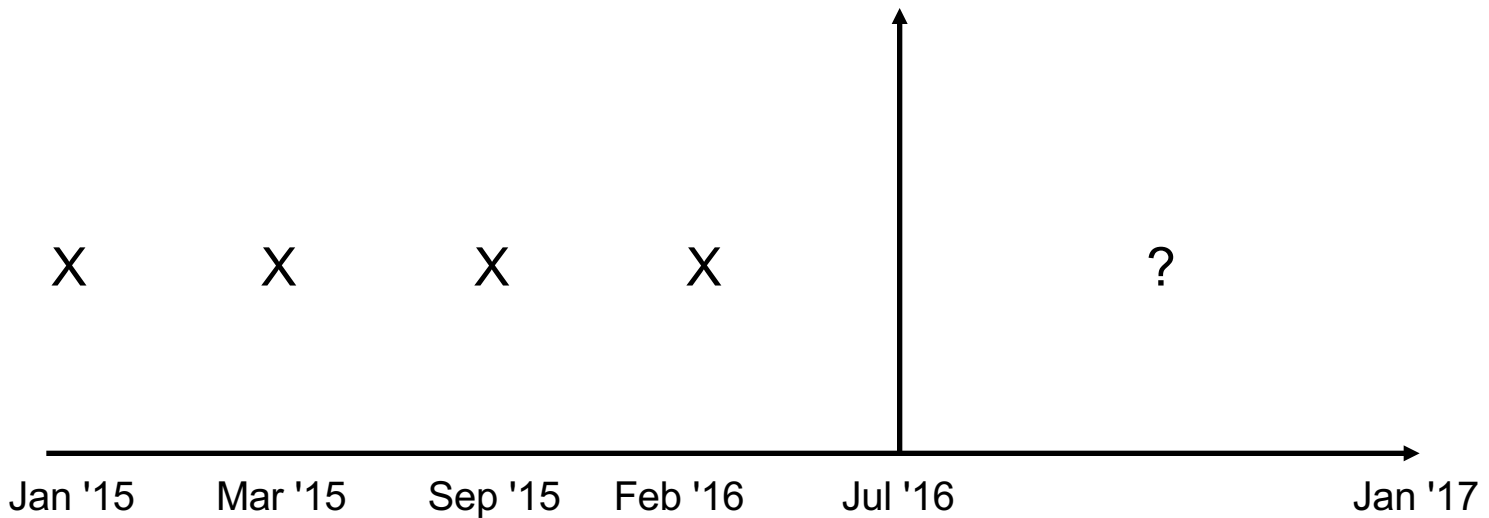
---



***Example of transactions of customers with a retailer***

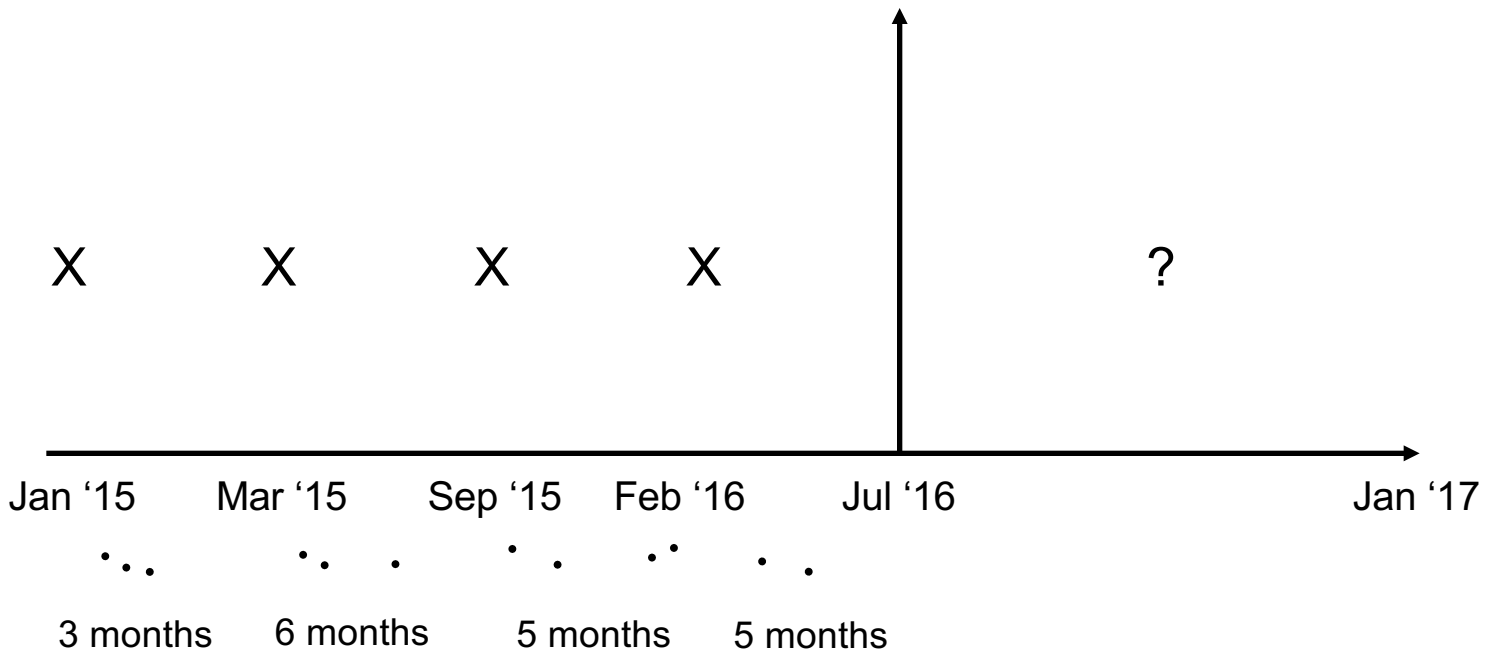
# Is the Customer Alive after July 2016?

---



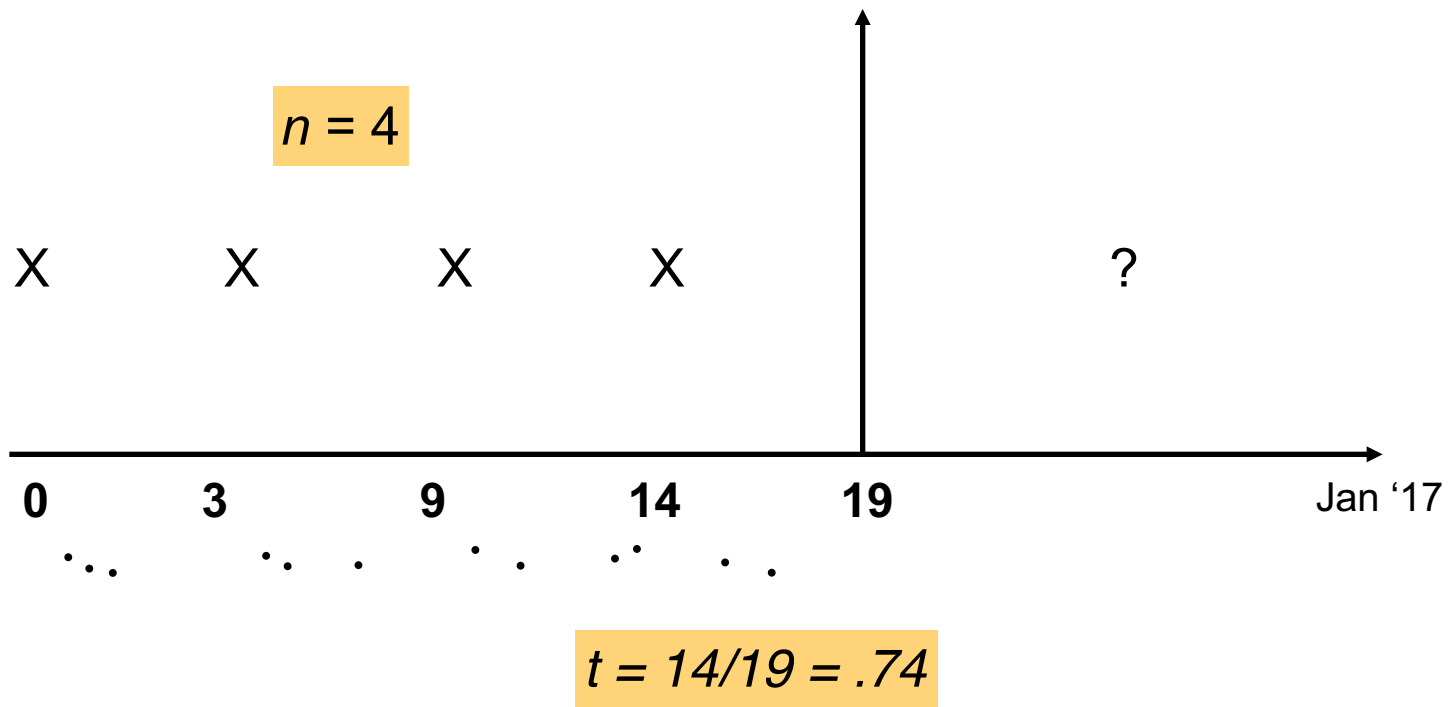
# Is the Customer Alive after July 2016?

---



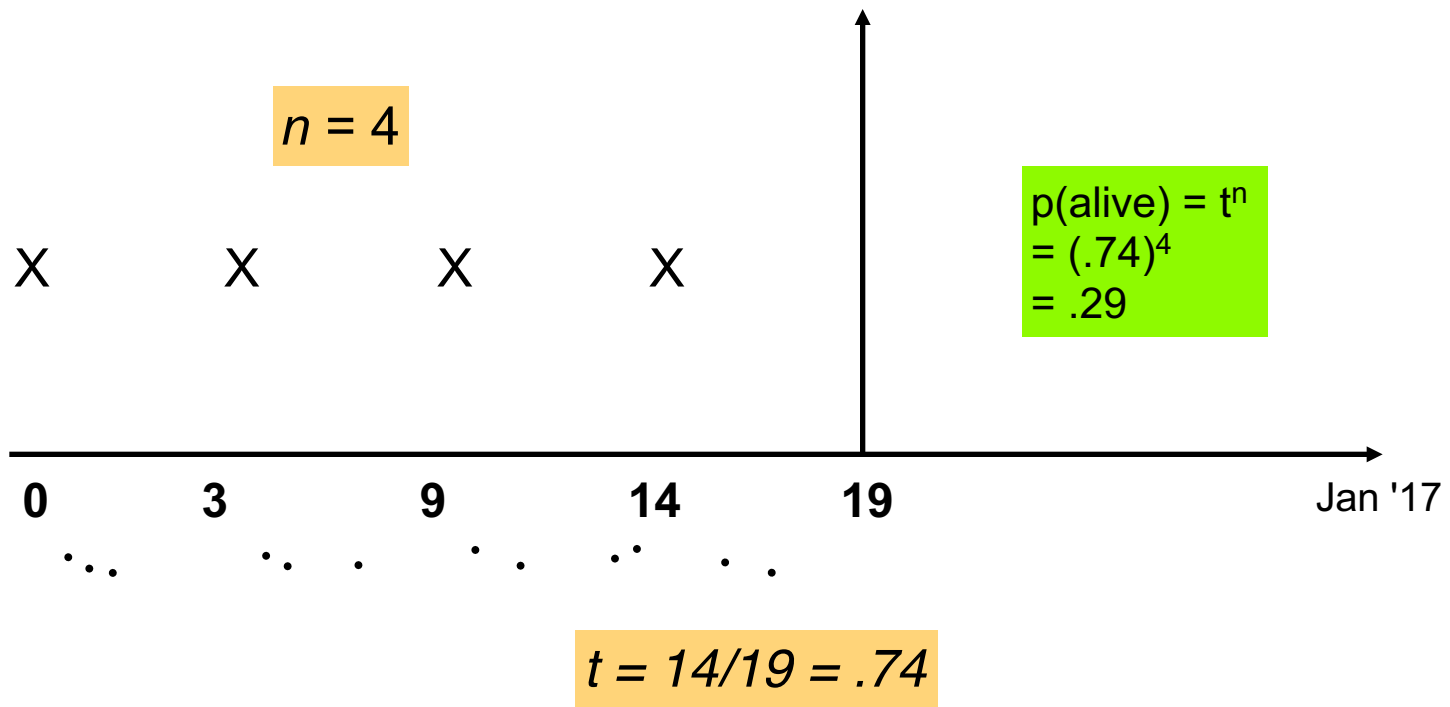
# Is the Customer Alive after July 2016?

---



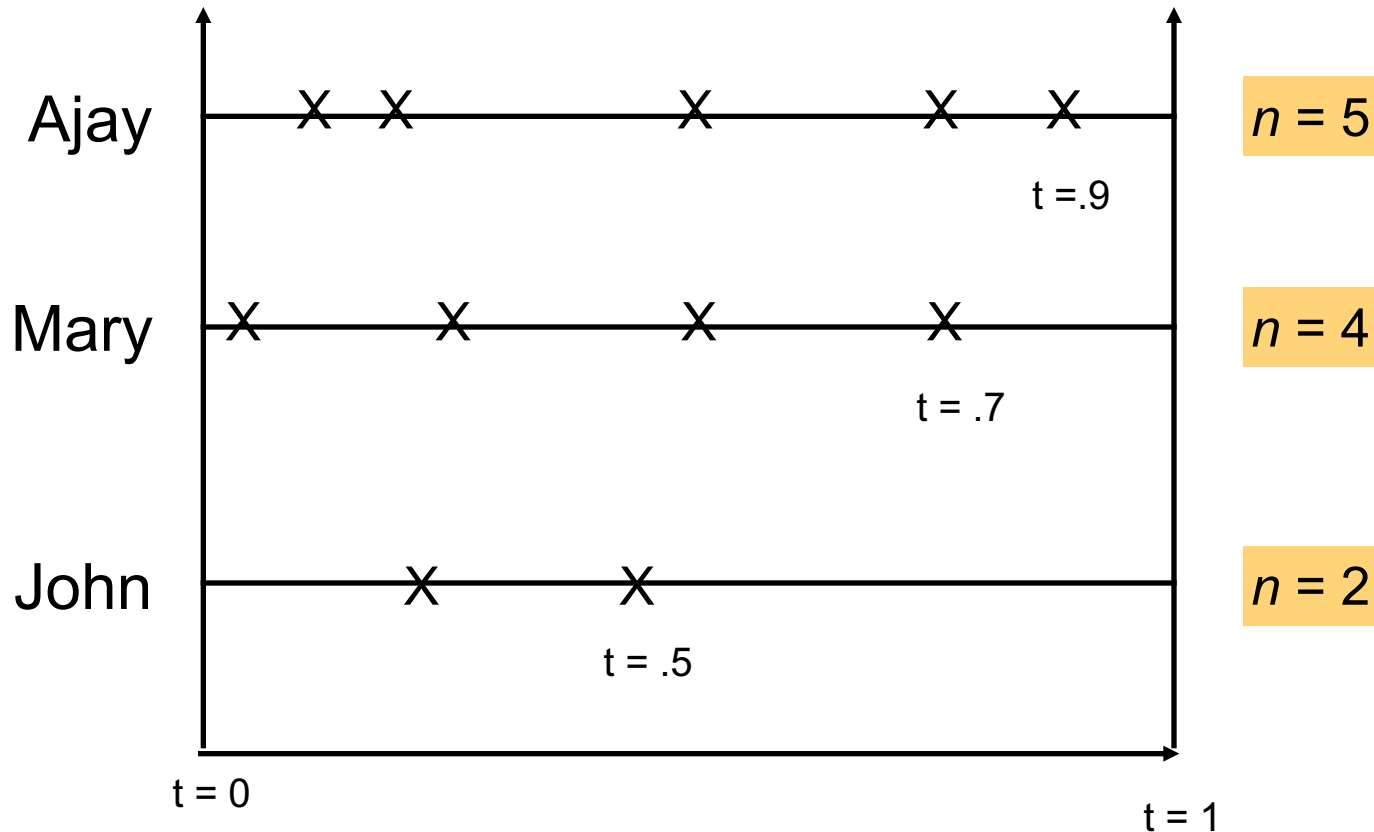
# Is the Customer Alive after July 2016?

---





# Which Customers Are Active?



# Requirements for pAlive Calculation

---

Knowledge of

- Customer's first order
- Date of each customer order