Final Project Submission

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• Scheduled project review date/time: 1/31/2023 0930

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• Blog post URL: https://medium.com/@heathlikethecandybar/

Introduction

Business Case/ Summary

SyriaTel, a telecommunications company wants to identify the leading factors of why a customer cancels their service. This is also referred to as 'Churn.' If they understand the factors that lead to churn, the company can implement programs to reduce the risk of churn, and increase the lifetime value of and for their customers.

My goal is to build a classifer to predict whether a customer will stop doing business with SyriaTel. I will be using information such as usage, interactions with SyriaTel, and certain features that the customer has purchased. I am mostly focused on reducing the rate of false negatives so the metric in which I will be evaluating my models is called Recall.

Core Field Names and Definitions from Data Source

- state The state in which the account owner resides.
- account length -
- area code Primary 3 digit area of the line for the account.
- phone number Primary 7 digit area of the line for the account.
- international plan Indicator denoting whether or not the account has an international feature.
- voice mail plan Indicator denoting whether or not the account has an voice mail feature.
- number vmail messages Usage metric counting the total number of voicemails for the phone number in question.
- total day minutes Usage metric indicating how many minutes (call time) were used between 6:00am and 5:00pm.
- total day calls Usage metric indicating how many calls were used between 6:00am and 5:00pm.

- total day charge Usage metric indicating how much the user was charged for their usage between 6:00am and 5:00pm.
- total eve minutes Usage metric indicating how many minutes (call time) were used between 5:01pm and 8:00pm.
- total eve calls Usage metric indicating how many calls were used between 5:01pm and 8:00pm.
- total eve charge Usage metric indicating how much the user was charged for their usage between 5:01pm and 8:00pm.
- total night minutes Usage metric indicating how many minutes (call time) were used between 8:01pm and 5:59am.
- total night calls Usage metric indicating how many calls were used between 8:01pm and 5:59am.
- total night charge Usage metric indicating how much the user was charged for their usage between 8:01pm and 5:59a.
- total intl minutes Usage metric indicating how many minutes (call time) were used internationally.
- total intl calls Usage metric indicating how many calls were made internationally.
- total intl charge Usage metric indicating how much the user was charged for their international call usage.
- customer service calls The total number of customer service calls made by the user to the Skyvia Customer Service line.
- churn Our target category indicating whether or not the customer churned/ cancelled their plan.

Additional information about the dataset can be found here: https://www.kaggle.com/datasets/becksddf/churn-in-telecoms-dataset

Data Load, Cleaning

Importing Packages

```
import pandas as pd
import numpy as np
import seaborn as sns
import statsmodels.api as sm

from matplotlib import pyplot as plt
import matplotlib.ticker as mtick
from matplotlib.colors import ListedColormap
%matplotlib inline

from sklearn.linear_model import LinearRegression, LogisticRegression, RidgeClassifier
from sklearn.model_selection import train_test_split, cross_val_score, GridSearchCV, StratifiedKFold
from sklearn.preprocessing import LabelEncoder, OneHotEncoder, StandardScaler, FunctionTransformer
from sklearn.pipeline import Pipeline
from sklearn.impute import MissingIndicator, SimpleImputer
```

```
from sklearn.compose import ColumnTransformer
from sklearn.dummy import DummyClassifier
from sklearn.metrics import plot_confusion_matrix, confusion_matrix, plot_roc_curve, classification_report, plc
from sklearn.metrics import precision_score, recall_score, accuracy_score, fl_score, precision_recall_curve, rc
from sklearn.neighbors import KNeighborsClassifier, NearestNeighbors
from sklearn.ensemble import AdaBoostRegressor, GradientBoostingRegressor, AdaBoostClassifier, GradientBoosting
from sklearn.feature_selection import RFECV
import xgboost as xgb
from sklearn.tree import DecisionTreeRegressor, DecisionTreeClassifier, plot_tree
from imblearn.over_sampling import SMOTE
from imblearn.pipeline import Pipeline as ImPipeline
```

Choosing Colors & Templates

```
In [82]: # Choosing standard colors for project
    pal = sns.color_palette("viridis")
    color_codes = ['purple', 'darkblue', 'blue', 'bluegreen', 'green', 'lime']
    my_cmap = ListedColormap(sns.color_palette(pal).as_hex())
    pal.as_hex()
Out[82]:
```

Import data

```
In [83]: # Importing data and viewing the first 5 rows

df = pd.read_csv('data/data.csv')

df.head()
```

Out[83]:		state	account length		phone number	international plan	voice mail plan	number vmail messages	total day minutes	total day calls	total day charge	•••	total eve calls	total eve charge	total night minutes	total night calls	total night charge	m
	0	KS	128	415	382- 4657	no	yes	25	265.1	110	45.07		99	16.78	244.7	91	11.01	
	1	ОН	107	415	371- 7191	no	yes	26	161.6	123	27.47		103	16.62	254.4	103	11.45	
	2	NJ	137	415	358- 1921	no	no	0	243.4	114	41.38		110	10.30	162.6	104	7.32	
	3	ОН	84	408	375- 9999	yes	no	0	299.4	71	50.90		88	5.26	196.9	89	8.86	
	4	ОК	75	415	330- 6626	yes	no	0	166.7	113	28.34		122	12.61	186.9	121	8.41	

5 rows × 21 columns

```
In [84]: # Updating column names to have an _ vs a space
df.columns = [c.replace(' ', '_') for c in df.columns]
```

In [85]: # Taking a quick peak at our datatypes for any transformations needed.

df.info()

<class 'pandas.core.frame.DataFrame'>
RangeIndex: 3333 entries, 0 to 3332
Data columns (total 21 columns):

Daca	COCCE 21 COLUM		
#	Column	Non-Null Count	Dtype
0	state	3333 non-null	object
1	account_length	3333 non-null	int64
2	area_code	3333 non-null	int64
3	phone_number	3333 non-null	object
4	international_plan	3333 non-null	object
5	voice_mail_plan	3333 non-null	object
6	number_vmail_messages	3333 non-null	int64
7	total_day_minutes	3333 non-null	float64
8	total_day_calls	3333 non-null	int64
9	total_day_charge	3333 non-null	float64
10	total_eve_minutes	3333 non-null	float64
11	total_eve_calls	3333 non-null	int64
12	total eve charge	3333 non-null	float64

```
13 total night minutes
                             3333 non-null
                                             float64
 14 total night calls
                             3333 non-null
                                             int64
 15 total night charge
                             3333 non-null
                                             float64
 16 total intl minutes
                             3333 non-null
                                             float64
 17 total intl calls
                             3333 non-null
                                             int64
 18 total intl charge
                             3333 non-null
                                             float64
 19 customer service calls 3333 non-null
                                             int64
 20 churn
                             3333 non-null
                                             bool
dtypes: bool(1), float64(8), int64(8), object(4)
memory usage: 524.2+ KB
```

Looks like we have a few categorical variables in which we will need to encode. We'll look at that here in a bit. First I want to make sure our dataset is complete. Moving on to checking to see if we need to remove or impute any data before any transformations.

```
In [86]:
          # Checking for missing values.
          df.isna().sum()
Out[86]: state
                                     0
          account length
                                     0
          area code
                                     0
          phone number
                                     0
          international plan
          voice mail plan
                                     0
          number vmail messages
                                     0
          total day minutes
                                     0
          total day calls
          total day charge
                                     0
          total eve minutes
                                     0
          total eve calls
                                     0
          total eve charge
          total night minutes
                                     0
          total_night_calls
          total night charge
                                     0
          total intl minutes
                                     0
          total intl calls
                                     0
          total intl charge
                                     0
          customer_service_calls
                                     0
          churn
          dtype: int64
```

No missing values. Going to create some columns to add together all of our minutes, calls, and charges. We might be able to reduce the number of dimensions we have if the customer is not using the plan at all. We may drop these later, but let's add them while we are in the mood.

```
df['total calls'] = (df['total day calls'] +
                               df['total_eve_calls'] +
                               df['total_night_calls'] +
                               df['total intl calls']
          # Adding column for total minutes
In [88]:
          df['total charges'] = (df['total day charge'] +
                               df['total eve charge'] +
                               df['total night charge'] +
                               df['total intl charge']
In [89]:
          # Adding column for total charges
          df['total minutes'] = (df['total day minutes'] +
                               df['total eve minutes'] +
                               df['total night minutes'] +
                               df['total intl minutes']
In [90]:
          # Adding column for price per minute
          df['price per minute'] = df['total day charge']/df['total minutes']
          # Quick check to make sure our columns were added correctly and math checks out
In [91]:
          df.head()
            state account_length area_code phone_number international_plan voice_mail_plan number_vmail_messages total_day_minutes
Out[91]:
          0
              KS
                            128
                                      415
                                               382-4657
                                                                                                           25
                                                                                                                         265.1
                                                                     no
                                                                                    yes
          1
              ОН
                            107
                                      415
                                                371-7191
                                                                                                           26
                                                                                                                         161.6
                                                                     no
                                                                                    yes
          2
              NJ
                            137
                                      415
                                                358-1921
                                                                                                           0
                                                                                                                         243.4
                                                                                    no
                                                                     no
          3
              ОН
                             84
                                      408
                                               375-9999
                                                                                                           0
                                                                                                                         299.4
                                                                                    no
                                                                     yes
                             75
                                                                                                           0
              OK
                                      415
                                               330-6626
                                                                     yes
                                                                                    no
                                                                                                                         166.7
```

5 rows × 25 columns

Calculations are looking good. These will primarily serve as EDA helper stats. Since they are formulas based on existing fields, I would assume that we will see a high level of colinearity within these added metrics.

In [92]:

df.describe()

Out[92]:

	account_length	area_code	number_vmail_messages	total_day_minutes	total_day_calls	total_day_charge	total_eve_minutes
count	3333.000000	3333.000000	3333.000000	3333.000000	3333.000000	3333.000000	3333.000000
mean	101.064806	437.182418	8.099010	179.775098	100.435644	30.562307	200.980348
std	39.822106	42.371290	13.688365	54.467389	20.069084	9.259435	50.713844
min	1.000000	408.000000	0.000000	0.000000	0.000000	0.000000	0.000000
25%	74.000000	408.000000	0.000000	143.700000	87.000000	24.430000	166.600000
50%	101.000000	415.000000	0.000000	179.400000	101.000000	30.500000	201.400000
75%	127.000000	510.000000	20.000000	216.400000	114.000000	36.790000	235.300000
max	243.000000	510.000000	51.000000	350.800000	165.000000	59.640000	363.700000

Across the board we can already tell that our data is pretty well distributed. We can see this by a quick glance at the relationship between our mean and our median (50%) values. This will reduce the amount of data cleaning, and imputation that we will need to complete later. Roughly looks like our daytime minutes are more expensive than our evening, and night time minutes. Looks like customers interact with customer service on average 1.6 times. Customers pay on average \$60 in total, and on average .05 cents a minute. What is difficult to discern from this data set is if this is across one month, or a different time period. That would help us determine how we institute our strategy from a timing perspective. However, we will just discuss the strategies in general, and think of the time as an arbitrary component.

Features of the cell phone plan EDA

Since we know that our target variable is imbalanced (churn accounts for roughly 15% of the total dataset). There are only a few other features that are tied to the account besides the usage, and those are voice_mail_plan, international_plan, and customer_service_calls. Let's dig into those next!

There are 323 accounts that purchased a international plan (roughly 10% of customers.). Going to take a look to see if churn within the international accounts is similar to those accounts that did not purchase international plans.

ves

186 137

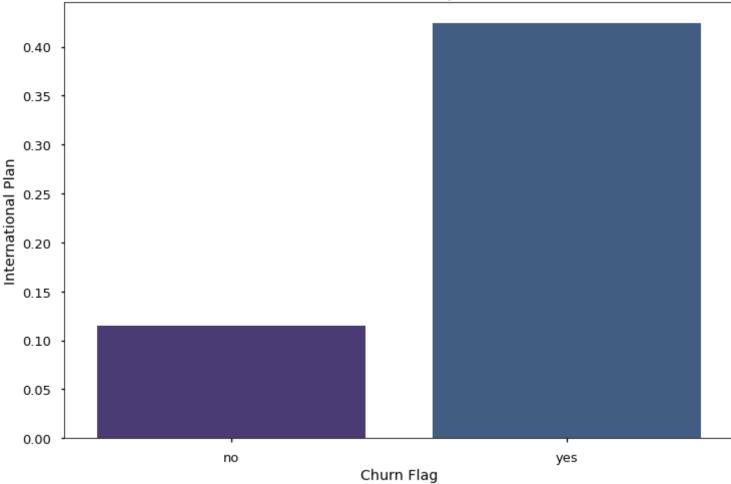
As we can see, churn within our customer segment that has the international_plan feature, churn at a higher rate than those without the feature. Going to visualize this relationship next.

```
In [94]: # Credit for this little function belongs to Eva Mizer :) Leveraging to make my charts
# easier as I get through my EDA process.

def mini_bar(x, y, y_title, x_title, plot_title):
    mean_df = df[[x, y]].groupby(x, as_index=False).mean()
    print(mean_df)

#Bar plot to visualize!
    ax = sns.barplot(x=x, y=y, data=mean_df, palette=pal)
    ax.figure.set_size_inches(12,8)
    ax.set_ylabel(y_title)
    ax.set_xlabel(x_title)
    ax.set_title(plot_title)
```



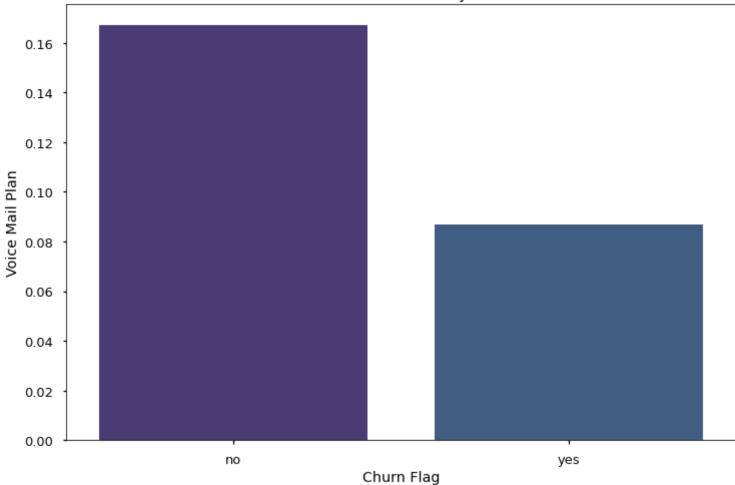


As we mentioned above, the customers with an International plan experience a higher churn percentage than those without; just over 40% of those that had the international plan, and about 10% for those without. About 1/3 of the total churn that was experienced were customers that had purchased the international plan. Moving on to the Voice Mail Plan feature next.

```
Out[96]:
         voice_mail_plan
                   no 2008 403
                       842
                              80
                   yes
         # Visualizing relationship
In [97]:
          mini_bar('voice_mail_plan', 'churn', 'Voice Mail Plan', 'Churn Flag', '% of Customers that Churned by Voice Mai
           voice_mail_plan
                              churn
                       no 0.167151
         1
                       yes 0.086768
```

churn False True





Looks like those plans with a voice mail plan have a lower churn percentage than those without. 9% of those with the voice mail plan vs 17% of those without a voice mail plan churn. We will keep this in mind as we complete our analyses. So as of right now, it would suffice us to say that customers with the voicemail plan were more satisfied than those customers without that feature.

```
aggfunc='count'
                           churn False True
voice_mail_plan international_plan
                                   1878
                                         302
            no
                              no
                                    130
                                          101
                             yes
                                    786
           yes
                              no
                                          44
                                     56
                                          36
                             ves
```

Out[98]:

So between our two features above, it looks like:

- No voice mail plan & no interntational plan Churn 14%
- No voice mail plan & interntational plan Churn 44%
- Voice mail plan & no international plan Churn 5%
- Voice mail plan & international plan Churn 39%

So customers that had the voice mail plan & no international plan, or no features at all performed be best (5%, and 14% respectively). Again, this could mean that the service of the international plan does meet the expectations of the customers. With that being said, the voice mail feature/ functionality does generally pretty well, and customers see the value in that feature. The same cannot be said for the international feature. This is typically bringing down the experience overall.

```
        out[99]:
        churn
        False
        True

        voice_mail_plan
        international_plan
        0.055644

        put
        yes
        0.053261
        0.053121
```

	churn	False	True
voice_mail_plan	international_plan		
yes	no	0.051141	0.049108
	yes	0.051807	0.053927

Now taking a look at the average price paid per minute between the same feature diagram we looked at above, it looks like those plans with the international plan pay more on average than those without.

Here is the comparison of price between the churn, and non-churn groups that we looked at above:

- No voice mail plan & no interntational plan Churn 10% higher in Churn price per minute vs Non Churn price per minute
- No voice mail plan & interntational plan Churn **0**% **difference in Churn price per minute vs Non Churn price per minute**
- Voice mail plan & no international plan Churn -4% difference in Churn price per minute vs Non Churn price per minute
- Voice mail plan & international plan Churn 4% higher cost in Churn price per minute vs Non Churn price per minute

This would indicate that there really isn't much price difference when looking at the per minute costs for these additional features. Or at least the customers that churned weren't paying that much more than the customers that were retained, providing support for the fact that those features value were really based on if they met the expectations of functionality or not.

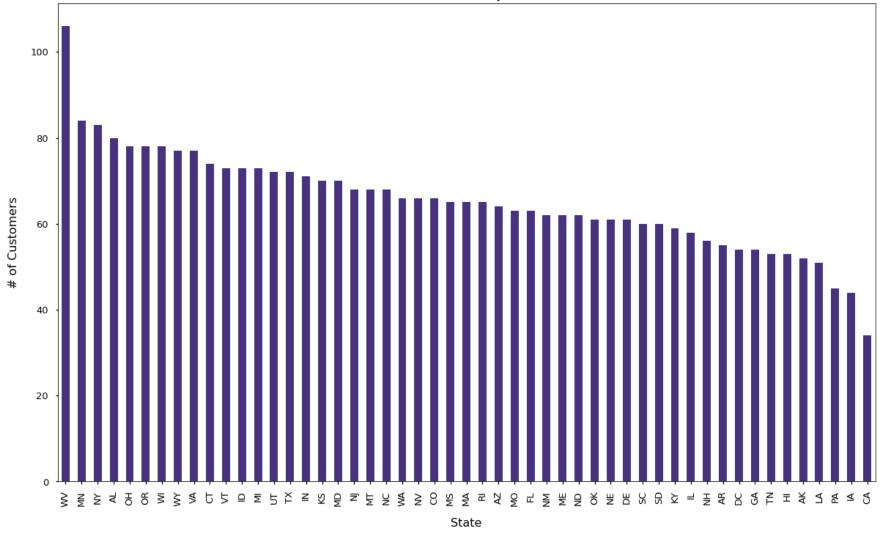
Demographics/ Customer Categorical Features EDA

```
In [100... fix, ax = plt.subplots(figsize=(20,12))

df['state'].value_counts().plot(kind='bar', color=pal[0])

ax.set_title('# of Customers by State')
ax.set_xlabel('State', labelpad=15, fontsize=16)
ax.set_ylabel('# of Customers', labelpad= 15, fontsize=16)

plt.show()
```



Overall the distribution of states is pretty good! No concerns here, however we will need to encode this categorical column if we want to retain this information. I am not sure if this will help us or if it will cause us to over fit on our training model. I say that because of the account specificity that we will introduce by maintaining this feature.

Since we are thinking about dropping our state column, we still have area_code, and our phone_number_prefix, to give us an idea of where the users are located. Going to split those columns out from the line_number, which won't really help us. We may need to drop the prefix and the area code for the same reasons I mentioned for state above. For now, we will prep the data in case we do want to keep it in.

```
In [101... # Adjusting out our phone number prefix and line number information to make it easier to work with.

df[['phone_number_prefix','line_number']] = df.phone_number.str.split("-",expand=True,).astype(int)
    df
```

Out[101		state	account_length	area_code	phone_number	international_plan	voice_mail_plan	number_vmail_messages	total_day_minut
	0	KS	128	415	382-4657	no	yes	25	26!
	1	ОН	107	415	371-7191	no	yes	26	16′
	2	NJ	137	415	358-1921	no	no	0	243
	3	ОН	84	408	375-9999	yes	no	0	299
	4	ОК	75	415	330-6626	yes	no	0	166
	•••		•••	•••	•••				
	3328	AZ	192	415	414-4276	no	yes	36	15€
	3329	WV	68	415	370-3271	no	no	0	23
	3330	RI	28	510	328-8230	no	no	0	180
	3331	СТ	184	510	364-6381	yes	no	0	213
	3332	TN	74	415	400-4344	no	yes	25	234

3333 rows × 27 columns

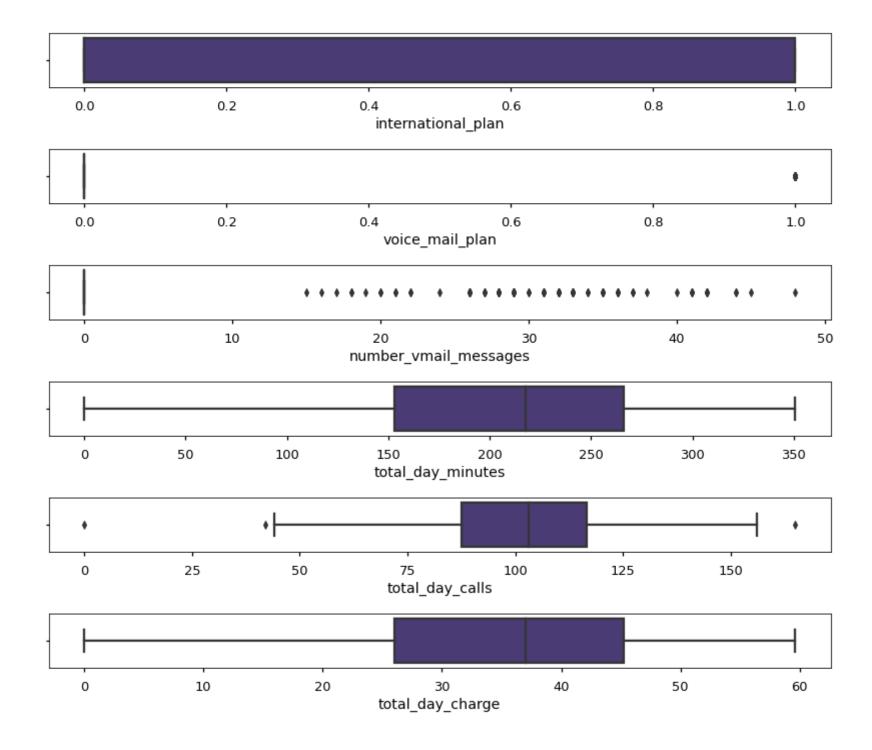
```
In [104...
          # Going back to look at our columns that need transformed from string to integer // voice mail plan
          df = df.replace({'voice mail plan':
                            {'yes': 1,
                             'no': 0
          # Going back to look at our columns that need transformed from string to integer // voice mail plan
In [105...
          df['churn'] = df['churn'].astype(int)
          # Quick look at our data set to see how we are evolving.
In [106...
          df.info()
          <class 'pandas.core.frame.DataFrame'>
          RangeIndex: 3333 entries, 0 to 3332
          Data columns (total 24 columns):
              Column
                                       Non-Null Count
                                                        Dtype
                                                        ____
          0
               account length
                                       3333 non-null
                                                        int64
          1
               area code
                                       3333 non-null
                                                        int64
          2
               international plan
                                       3333 non-null
                                                        int64
          3
               voice mail plan
                                       3333 non-null
                                                        int64
               number vmail messages
                                       3333 non-null
                                                        int64
          5
               total day minutes
                                       3333 non-null
                                                        float64
          6
               total day calls
                                       3333 non-null
                                                        int64
               total day charge
                                       3333 non-null
                                                        float64
               total eve minutes
                                       3333 non-null
                                                        float64
          9
               total eve calls
                                       3333 non-null
                                                        int64
          10
              total eve charge
                                       3333 non-null
                                                        float64
          11
              total night minutes
                                       3333 non-null
                                                        float64
          12
              total night calls
                                       3333 non-null
                                                        int64
              total night charge
                                       3333 non-null
                                                        float64
                                                        float64
              total intl minutes
                                       3333 non-null
              total intl calls
                                       3333 non-null
                                                        int64
          15
          16 total intl charge
                                       3333 non-null
                                                        float64
              customer service calls 3333 non-null
                                                        int64
          18
              churn
                                       3333 non-null
                                                        int64
          19
              total calls
                                       3333 non-null
                                                        int64
          20 total charges
                                       3333 non-null
                                                        float64
          21 total minutes
                                       3333 non-null
                                                        float64
```

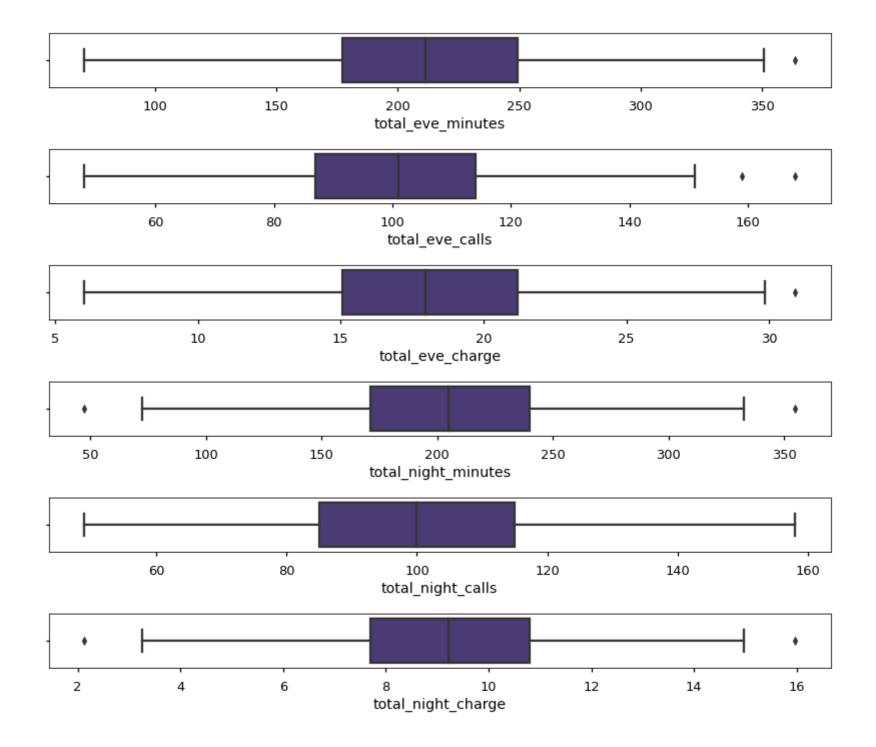
```
22 price_per_minute 3333 non-null float64
23 phone_number_prefix 3333 non-null int64
dtypes: float64(11), int64(13)
memory usage: 625.1 KB
```

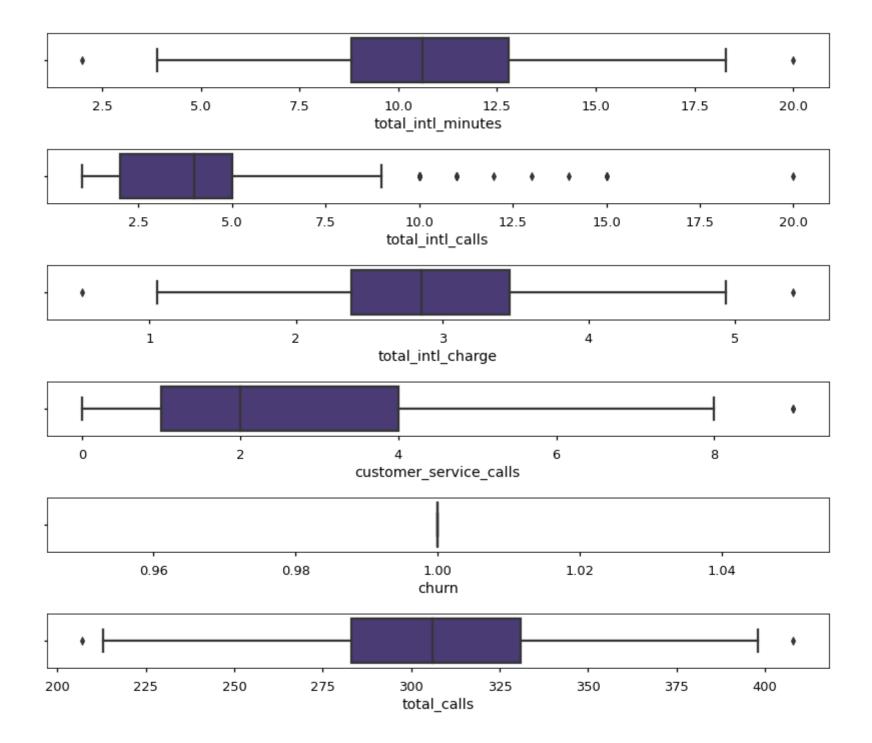
Usage EDA

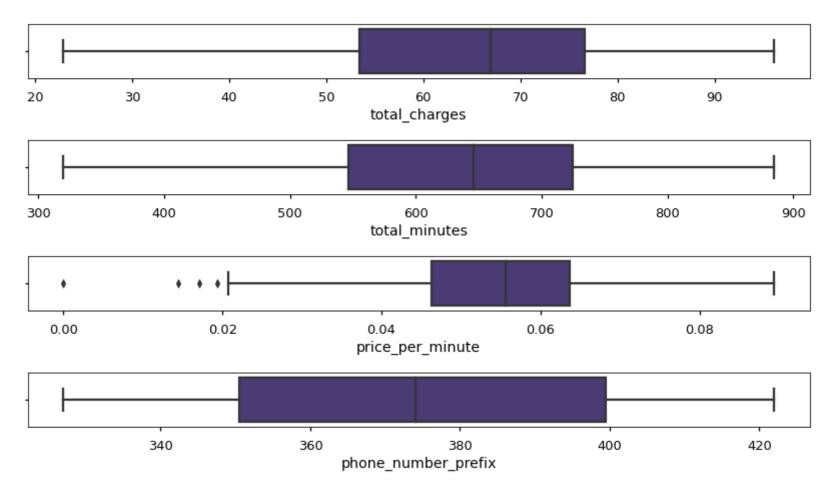
Now that we have looked at some of our categorical/ demogrphic based features, next we are going to dig into some of our usage based features to note any outliers, and any patterns between our target, churn vs non-churn customer segments.

```
# Creating a few filtered data sets to make some visuals/ grouping easier if needed.
In [107...
          df_churn = df[df['churn'] == True]
          df active = df[df['churn'] == False]
          # Quick look at distribution across our numerical values. Looking for outliers, even though
In [108...
          # our data seems to be pretty evenly distributed across our feature sets.
          plt.rcParams['figure.max open warning'] = 0;
          for column in df:
                  plt.figure(figsize=(14,1))
                  sns.boxplot(data=df_churn, x=column, color=pal[0])
              0
                                  50
                                                      100
                                                                           150
                                                                                                200
                                                      account_length
                        420
                                                             460
                                                                               480
                                           440
                                                                                                 500
                                                         area_code
```







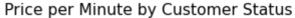


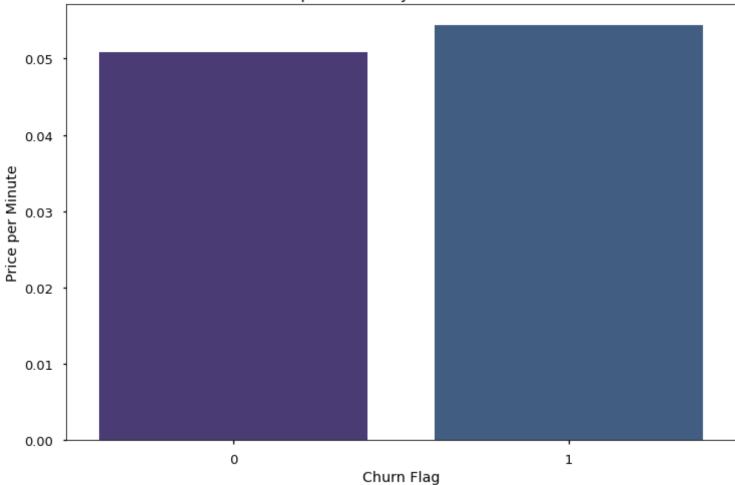
Not a ton of outliers within our numerical features, at least in aggregate. The voice mail messages seems to have the higher number of outliers, but that could be for a number of reasons. The sample is smaller, and we will have the impact between the groups that actually have the feature, vs those that don't have the feature impacting the distribution (since our charts are naive).

```
In [109... # Going to visualize our price per minute feature between churn and non- churn accounts.

mini_bar('churn', 'price_per_minute', 'Price per Minute', 'Churn Flag', 'Price per Minute by Customer Status');

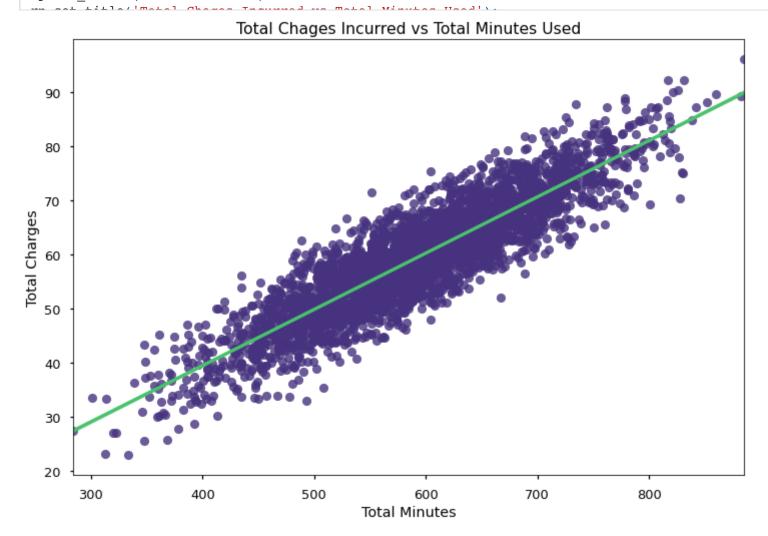
churn price_per_minute
0 0 0.050840
1 1 0.054393
```





Churned customers paid **7% more** per minute than customers that were retained. Not sure why that might be the case, but could be a result of customers with the international plan included.

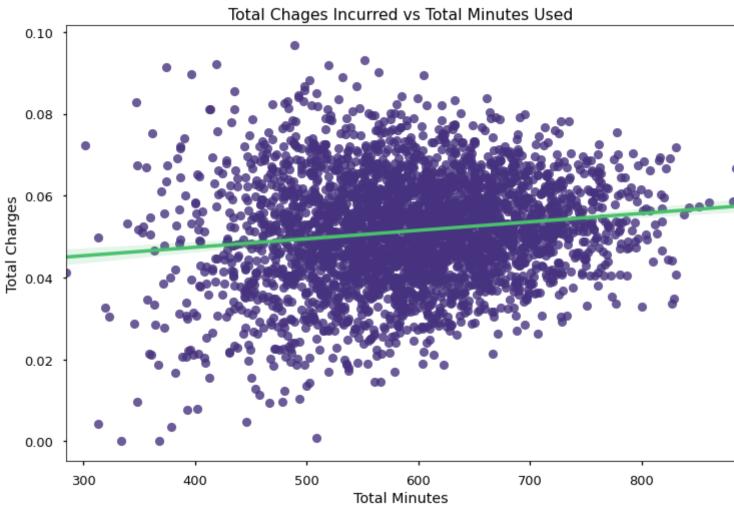
```
rp.set_ylabel('Total Charges')
rp.set_xlabel('Total Minutes')
```



This makes sense to me. As the product is used, charges are increasing. What we really want to investigate though is if the price per minute is going down, as the total minutes go up. If there was a strategic pricing, I think we would want to see the price per minute go down, but the charges stay flat because of the increase in minutes used.

```
In [111... # Creating a scatter plot to look at the relationship between price, and usage.

plt.figure(figsize = (12,8))
```

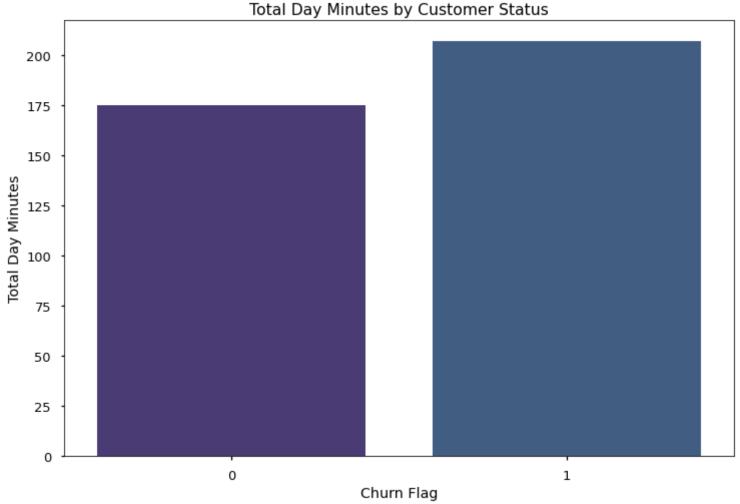


This is still showing a positive correlation between our two variables. I think we would actually want to see a negative slope here indicating that the customers that use the product the most, would be getting a slight discount on pricing as usage increases.

```
In [112... # Looking at usage between total day minutes within our target customer segments

mini_bar('churn', 'total_day_minutes', 'Total Day Minutes', 'Churn Flag', 'Total Day Minutes by Customer Status

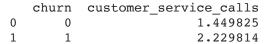
churn total_day_minutes
0 0 175.175754
1 1 206.914079
```



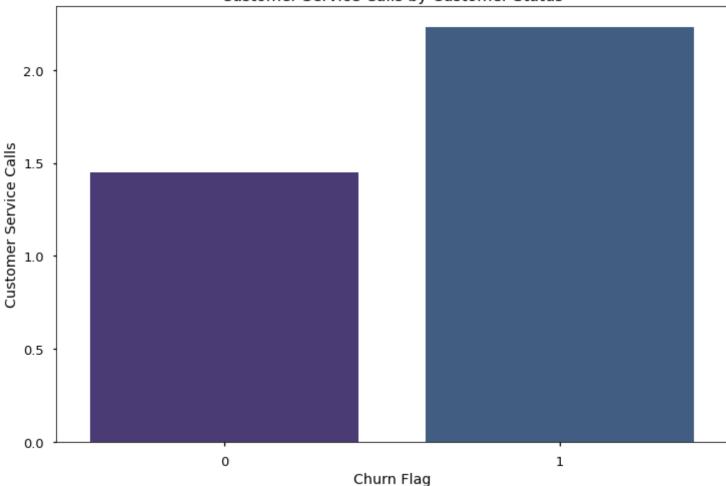
Customers that churn use the plan during the day 18% more than the customers that were retained.

```
In [113... # Looking at averag customer service calls between our target customer segements.

mini_bar('churn', 'customer_service_calls', 'Customer Service Calls', 'Churn Flag', 'Customer Service Calls by
```







Customers that churned contacted customer service **54% more** than customers that were retained. Going to take a quick look at the % of churn as customer service calls increase.

```
In [114... # Create an object to chart

cs_churn_percent = df['churn'].groupby(df['customer_service_calls']).mean()*100

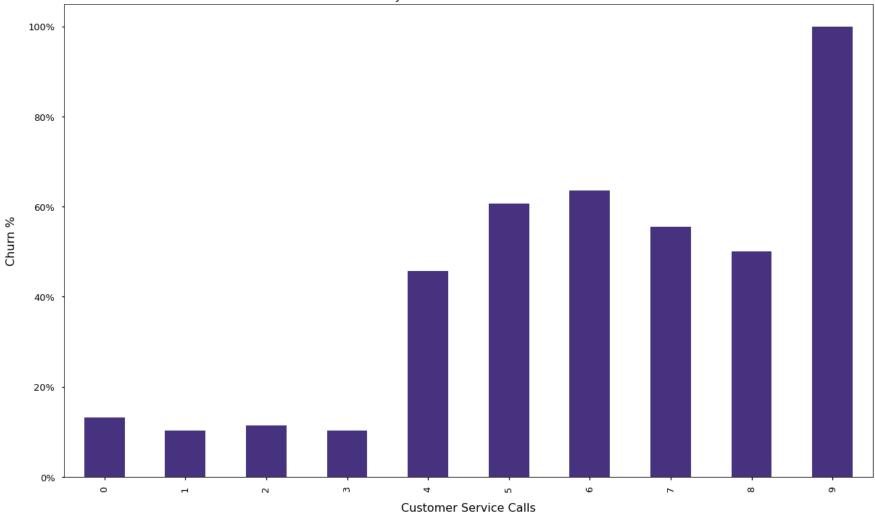
In [115... # Create a charge looking at the customer service calls and churn percentage within each.
```

```
fix, ax = plt.subplots(figsize=(20,12))

cs_churn_percent.plot(kind='bar', color=pal[0])

ax.set_title('Churn % by Number of Customer Service Calls')
ax.set_xlabel('Customer Service Calls', labelpad=15, fontsize=16)
ax.set_ylabel('Churn %', labelpad= 15, fontsize=16)

fmt = '%.0f%%' # Format you want the ticks, e.g. '40%'
yticks = mtick.FormatStrFormatter(fmt)
ax.yaxis.set_major_formatter(yticks)
```

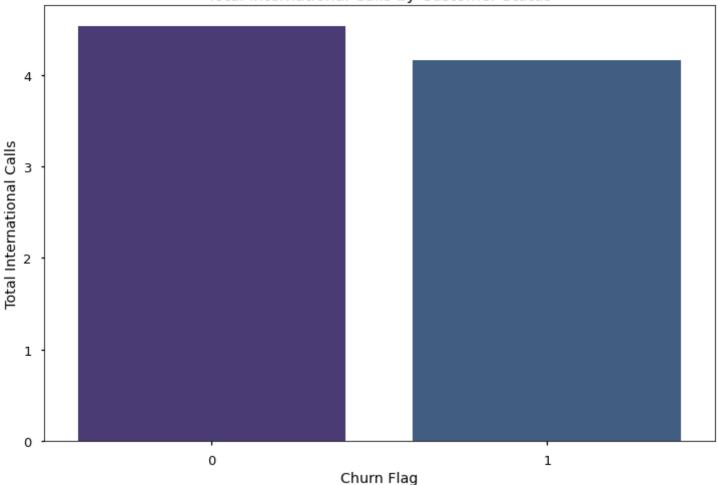


```
In [116... # Total international calls by target customer segment

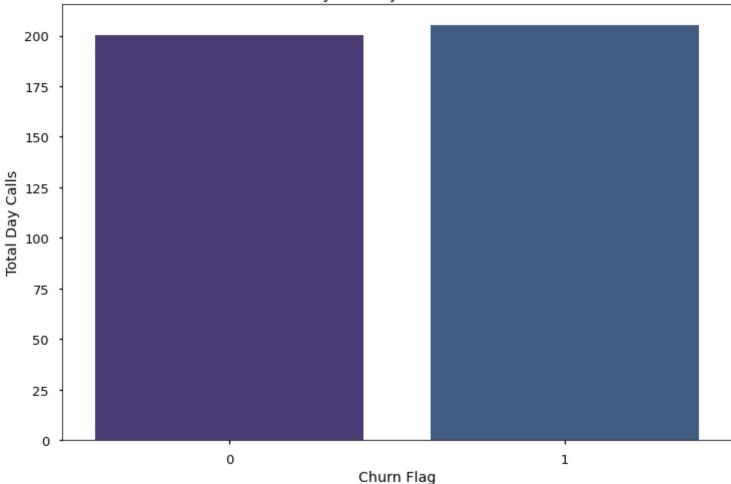
mini_bar('churn', 'total_intl_calls', 'Total International Calls', 'Churn Flag', 'Total International Calls by

churn total_intl_calls
0 0 4.532982
1 1 4.163561
```

Total International Calls by Customer Status

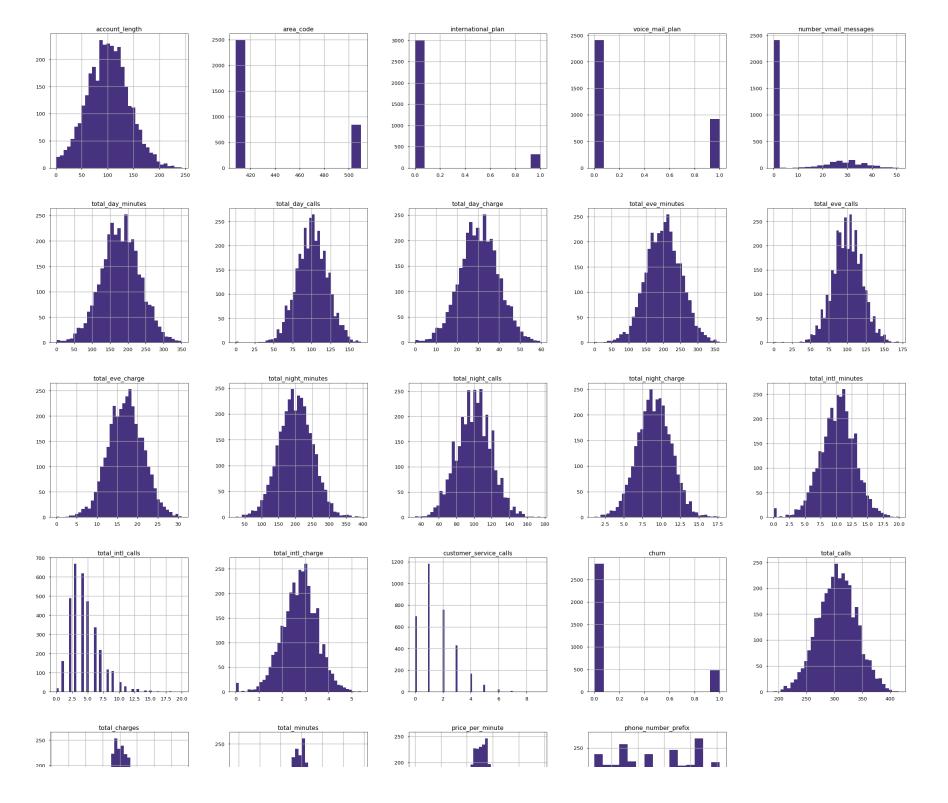






Nothing to really write home about with the last two charts. The difference in usage between our target segments is negligible. Moving on to collinearity before we get into our classification modeling.

Distribution, Linearity, Correlation EDA



Out[119... phone_number_prefix 327 328 329 330 331 332 333 334 335 336 ... 413 414 415 416 417 418 419 420 421 422 area_code 408 14 20 ... 21 22 415 25 20 16 12 15 510 11 11 9 11 8 7 ... 10 10 5 10 3

3 rows × 96 columns

account length

international plan

area code

2

We only have 3 area codes for the all the prefixes that we see. We may want to encode this category since it is categorical feature. I will also encode the phone number prefix, and the state columns before running any models. Going to continue to review.

```
In [120... # Updating international and voicemail indicators to boolean, and area code and phone_num prefix to strings

df['area_code'] = df['area_code'].astype(str)

df['phone_number_prefix'] = df['phone_number_prefix'].astype(str)

df.info()

<class 'pandas.core.frame.DataFrame'>
RangeIndex: 3333 entries, 0 to 3332
Data columns (total 24 columns):
    # Column Non-Null Count Dtype
```

int64

int64

object

3333 non-null

3333 non-null

3333 non-null

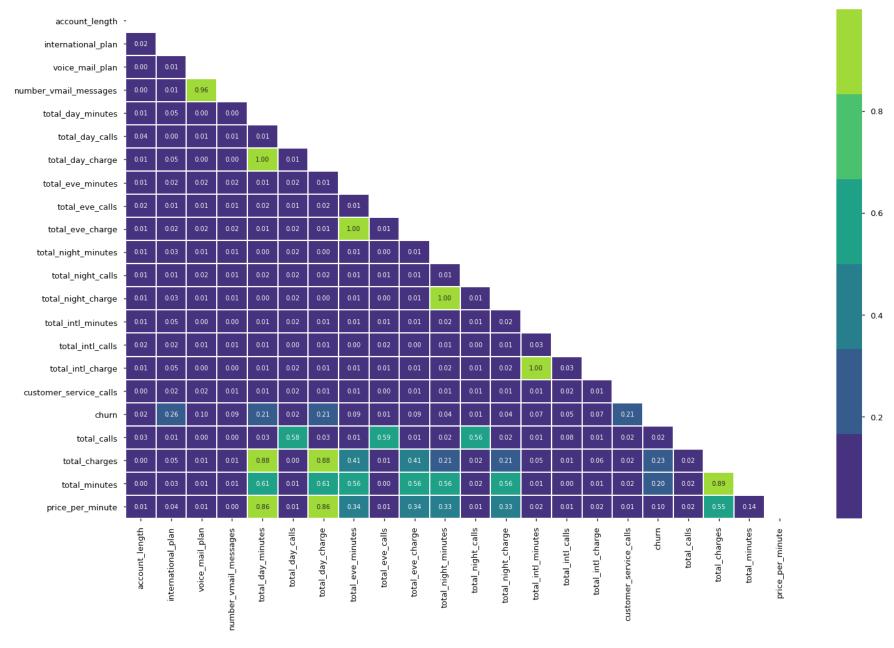
```
voice mail plan
                             3333 non-null
                                             int64
 3
 4
    number vmail messages
                             3333 non-null
                                             int64
 5
    total day minutes
                             3333 non-null
                                             float64
 6
    total day calls
                             3333 non-null
                                             int64
 7
    total day charge
                             3333 non-null
                                             float64
    total eve minutes
                             3333 non-null
                                             float64
    total eve calls
                             3333 non-null
                                             int64
 10 total eve charge
                             3333 non-null
                                             float64
    total night minutes
                             3333 non-null
                                             float64
 11
 12 total night calls
                             3333 non-null
                                             int64
                             3333 non-null
                                             float64
 13 total night charge
 14 total intl minutes
                             3333 non-null
                                             float64
 15 total intl calls
                             3333 non-null
                                             int64
 16 total intl charge
                             3333 non-null
                                             float64
 17 customer service calls
                             3333 non-null
                                             int64
 18 churn
                             3333 non-null
                                             int64
 19 total calls
                             3333 non-null
                                             int64
 20 total charges
                             3333 non-null
                                             float64
 21 total minutes
                             3333 non-null
                                             float64
 22 price per minute
                             3333 non-null
                                             float64
 23 phone number prefix
                             3333 non-null
                                             object
dtypes: float64(11), int64(11), object(2)
memory usage: 625.1+ KB
```

```
In [121... # Creating a heatmap to look at colinearity and potential categories that will lead to churn prediction.

corr = df.corr().abs()

fix, ax = plt.subplots(figsize = (24,15))
   matrix = np.triu(corr)
   ax.set_title('Feature Correlation Matrix', pad=15, fontsize=15)
   heatmap = sns.heatmap(corr, annot=True, cmap=pal, fmt='.2f', mask=matrix, linewidths=1)
   plt.show()
```





Charges and total minutes are perfectly correlated, which makes sense. Also the number of voicemail messages, and the voice mail plan category are also highly correlated. Meaning if they purchased the plan, it is highly likely that they used it. Day minutes were highly correlated with the total minutes vs evening minutes. It looks like churn had the highest correlation with the international plan

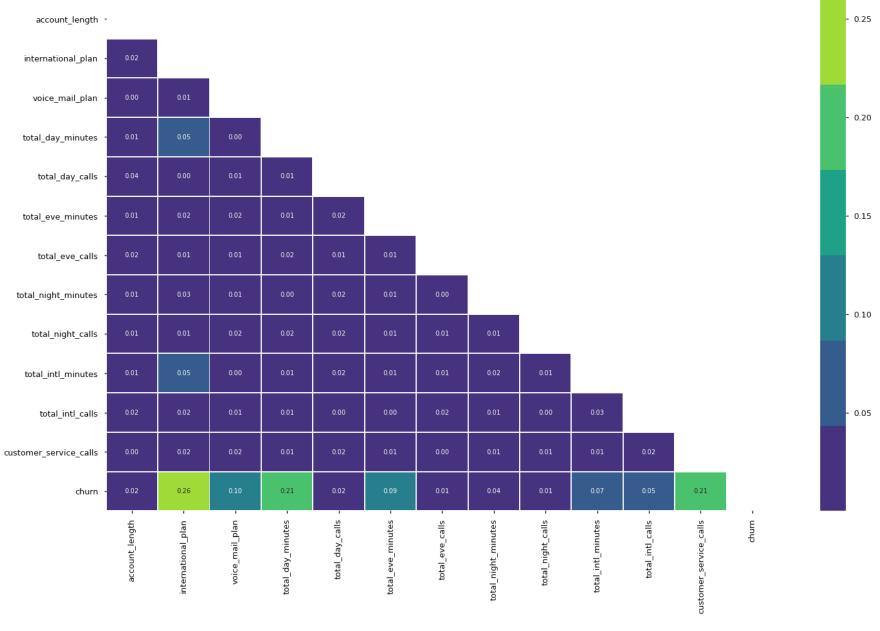
(which we identified as a possibility earlier). Total day minutes, total day charges, and customer service calls. Customer service calls could be related to the actual service that the customer experienced, or could be the fact that the customer had to call in to cancel their plan, thus driving that columns correlation higher.

Going to drop the columns we added earlier, and columns that are dependent on another for its calculation (i.e. charges). They are too dependent on the source features.

```
df = df.drop(['total_charges',
In [122...
                    'total_intl_charge',
                    'total eve charge',
                    'total day charge',
                    'total night charge',
                    'number vmail messages',
                    'total calls',
                    'total minutes',
                    'price per minute'
                  ],
                   axis=1)
In [123...
          # Creating a heatmap to look at colinearity and potential categories that will lead to churn prediction.
          corr = df.corr().abs()
          fix, ax = plt.subplots(figsize = (24,15))
          matrix = np.triu(corr)
          ax.set title('Feature Correlation Matrix', pad=15, fontsize=15)
          heatmap = sns.heatmap(corr, annot=True, cmap=pal, fmt='.2f', mask=matrix, linewidths=1)
```

plt.show()





Looking much better. Looks liek that international plan, the total day minutes, and customer serivce calls are all showing some correlation to our target variable of churn. I would expect these to manifest again at the end when we are looking at feature importances of our model.

A baseline model that always chose the majority class would have an accuracy of over 85%. Therefore we will want to report additional metrics at the end.

Classfication Modeling

0.144914

Name: churn, dtype: float64

1

Now we are going to get into our classification modeling. We are going to first try and create a psuedo pipeline to do some of the lifting as we move between our models. In addition, we will be doing some oversampling in order to account for our target imbalance.

```
# Ouick look at our dataframe
In [125...
               df.info()
              <class 'pandas.core.frame.DataFrame'>
              RangeIndex: 3333 entries, 0 to 3332
              Data columns (total 15 columns):
                                                         Non-Null Count Dtype
                     Column
                     account length
                                                          3333 non-null
                                                                                int64
                1
                     area code
                                                         3333 non-null
                                                                                 object
                    area_code
international_plan
voice_mail_plan
total_day_minutes
total_eve_minutes
total_eve_calls
total_night_minutes
3333 non-null
                                                                                int64
                3
                                                                                int64
                                                                                float64
                                                                                int64
                                                                                float64
                                                                                int64
                                                                                float64
                     total night calls 3333 non-null
                                                                                int64
```

```
10 total intl_minutes
                                      3333 non-null
                                                      float64
          11 total intl calls
                                      3333 non-null
                                                      int64
          12 customer_service calls 3333 non-null
                                                      int64
          13 churn
                                      3333 non-null
                                                      int64
          14 phone number prefix
                                      3333 non-null
                                                      object
         dtypes: float64(4), int64(9), object(2)
         memory usage: 390.7+ KB
          # Dropping out superfulous columns here before we do our X, y splits for test/ train.
In [126...
          df = df.drop(['area_code', 'phone_number_prefix'], axis=1)
          # Situate target and non-target features
In [127...
          X = df.drop(['churn'], axis=1)
          y = df['churn']
          # Create splits
          X train, X test, y train, y test = train test split(X, y, random state=42)
          # Also looking at a dummy model with 5 cross validation folds. Mean accuracy is about
In [128...
          # 86%. This aligns with our assumption above with the imbalance of our churned
          # customer count.
          dummy model = DummyClassifier(strategy='most frequent')
          cv results = cross val score(dummy model,
                                       X_train,
                                       y_train,
                                       cv=5)
          dummy model.fit(X train, y train)
          np.mean(cv results)
```

Out[128... 0.8567430861723446

Case and point from our statement earlier, a most frequent model could capture around 86% of the correct cases. With that being said, the metric we will be evaluating is recall. Recall is calculated by taking the number of True Positives divided by the True Positives and the False Negative classes. Recall is typically good when we want to limit false negatives. For our use case, false negatives would be a customer that churned, and we didn't predict them to churn, thus never giving our partners in Customer Success the opportunity to "save" the client.

Pipeline

```
In [129...
          # Labeling columns for different preprocessing steps
          categorical columns = []
          numerical_columns = ['account_length', 'total_day_minutes',
                                'total_day_calls', 'total_eve_minutes', 'total_eve_calls',
                                'total night calls', 'total_intl_minutes', 'total_intl_calls',
                                'customer_service_calls', 'total_night_minutes'
          binary_columns = ['international_plan', 'voice mail plan']
In [130...
          df.columns
Out[130... Index(['account_length', 'international_plan', 'voice mail plan',
                 'total_day_minutes', 'total_day_calls', 'total_eve_minutes',
                 'total eve calls', 'total night minutes', 'total night calls',
                 'total_intl_minutes', 'total_intl_calls', 'customer_service_calls',
                 'churn'],
                dtype='object')
          # Check to make sure we have all our columns accounted for
In [131...
           (len(categorical columns)+len(numerical_columns)+len(binary_columns)) == (df.shape[1]-1)
Out[131... True
In [132...
          # One Hot Encoding out categorical variables on our training data
          categorical Xtr df = pd.DataFrame(X train, columns=categorical columns)
          ohe = OneHotEncoder(drop='first',
                               sparse = False)
          ohe data = ohe.fit transform(categorical Xtr df)
          # Dum dums
          ohe data df = pd.DataFrame(ohe data,
                                columns=ohe.get feature names(),
```

```
index=categorical_Xtr_df.index)#make sure to pass an index

clean_df = X_train.drop(categorical_Xtr_df, axis=1)

# Putting humpty back together again

X_train = pd.concat([clean_df, ohe_data_df], axis=1)

# Quick peek

X train.head()
```

Out[132		account_length	international_plan	voice_mail_plan	total_day_minutes	total_day_calls	total_eve_minutes	total_eve_calls	total_
	367	45	0	0	78.2	127	253.4	108	
	3103	115	0	0	195.9	111	227.0	108	
	549	121	0	1	237.1	63	205.6	117	
	2531	180	0	0	143.3	134	180.5	113	
	2378	112	0	0	206.2	122	164.5	94	

```
# Ouick peek
                account_length international_plan voice_mail_plan total_day_minutes total_day_calls total_eve_minutes total_eve_calls total_
Out[133...
           438
                          113
                                             0
                                                            0
                                                                          155.0
                                                                                          93
                                                                                                        330.6
                                                                                                                        106
          2674
                           67
                                                                          109.1
                                                                                         117
                                                                                                         217.4
                                                                                                                        124
          1345
                           98
                                                                           0.0
                                                                                           0
                                                                                                         159.6
                                                                                                                        130
                                                                                                                         91
          1957
                          147
                                                                          212.8
                                                                                          79
                                                                                                         204.1
          2148
                           96
                                                                         144.0
                                                                                         102
                                                                                                         224.7
                                                                                                                         73
In [134...
           # Saving a copy of our data frame to reference columns later.
           df_X_train_copy = X_train.iloc[:10]
           df X test copy = X test.iloc[:10]
In [135...
           # Scaling our data to prevent features from outweight others
           SC = StandardScaler()
           X_train = SC.fit_transform(X_train)
           X_test = SC.transform(X_test)
         SMOTE Work
In [136...
          # Let's take a quick look at that imbalance once more.
           y_train.value_counts()
               2141
Out[136...
                358
          Name: churn, dtype: int64
           # Instantiating SMOTE
In [137...
           sm = SMOTE(sampling strategy='auto', random state=42)
           # Another look at our data post resample
In [138...
          X_train, y_train = sm.fit_resample(X train, y train)
```

Logistic Regression Model

Baseline Log Reg

```
# Baseline Logistic Regression model
In [139...
          baseline_logreg = ImPipeline(steps=[('sm', SMOTE(random_state=42)),
                                       ('estimator', LogisticRegression(random state=42))])
          # Train model
          baseline_logreg.fit(X_train, y_train);
In [143...
          # Scoring print out adapted from others -- Eva Mizer, and Aysu Erdemir.
          divider = ('----' * 10)
          # Capture roc auc for test, and train
          baseline logreg roc score train = roc auc score(y train, baseline logreg.predict proba(X train)[:, 1])
          baseline_logreg_roc_score_test = roc_auc_score(y_test, baseline_logreg.predict_proba(X_test)[:, 1])
          # Capture recall scores for test and train
          baseline_logreg_recall_score_train_cv = cross_val_score(estimator=baseline_logreg, X=X_train, y=y_train,
                                                   cv=StratifiedKFold(shuffle=True), scoring='recall').mean()
          baseline logreg recall score train = recall score(y train, baseline logreg.predict(X train))
          baseline logreg recall score test = recall_score(y_test, baseline_logreg.predict(X_test))
          # Capture fl scores for test and train
          baseline logreg f1 score train = f1 score(y train, baseline logreg.predict(X train))
          baseline logreg f1 score test = f1 score(y test, baseline logreg.predict(X test))
```

```
# Capture precision scores for test and train
baseline logreg precision_score_train = precision_score(y_train, baseline_logreg.predict(X_train))
baseline logreg precision score test = precision score(y test, baseline logreg.predict(X test))
print('\n', "Performance Comparison", '\n')
print(divider)
print(f" Train Roc Auc Score: {baseline logreg roc score train :.2%}")
print(f" Test Roc Auc Score: {baseline logreg roc score test :.2%}")
print(divider)
print(f" Train Recall score: {baseline_logreg_recall_score_train :.2%}")
print(f" Test Recall score: {baseline logreg recall score test :.2%}")
print(f" Mean Cross Validated Recall Score: {baseline logreg recall score train cv :.2%}")
print(divider)
print(f" Train F1 score: {baseline logreg f1 score train :.2%}")
print(f" Test F1 score: {baseline logreg f1 score test :.2%}")
print(divider)
print(f" Train Precision score: {baseline logreg precision score train :.2%}")
print(f" Test Precision score: {baseline logreg precision score test :.2%}")
print(divider, '\n')
Performance Comparison
```

Train Roc Auc Score: 83.13% Test Roc Auc Score: 83.59% Train Recall score: 77.16% Test Recall score: 79.20% Mean Cross Validated Recall Score: 77.16% Train F1 score: 77.12% Test F1 score: 50.90% Train Precision score: 77.09% Test Precision score: 37.50%

Our model is performing ok. The fact that our scores are so close means that we probably have some slight underfitting going on (since our test is higher than our train). In addition, our precision is pretty poor meaning that we have a high number of false

positives. As we mentioned that probably isn't the end of the world but something. we want to keep in mind as we complete additional models.

```
In [144... # Plotting confusion matrix for our baseline logistic regression - Test

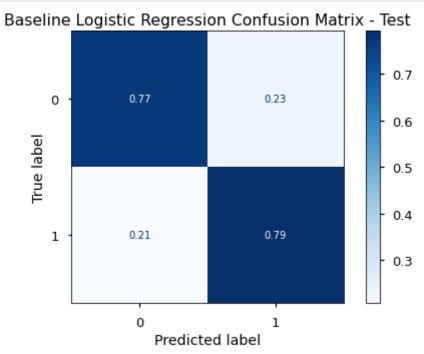
fig, ax = plt.subplots(figsize=(8,5))

plot_confusion_matrix(baseline_logreg, X_test, y_test, ax=ax, cmap='Blues', normalize='true')
ax.set_title("Baseline Logistic Regression Confusion Matrix - Test");

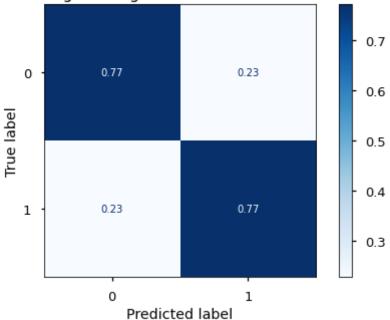
# Plotting confusion matrix for our baseline logistic regression - Train

fig, ax = plt.subplots(figsize=(8,5))

plot_confusion_matrix(baseline_logreg, X_train, y_train, ax=ax, cmap='Blues', normalize='true')
ax.set_title("Baseline Logistic Regression Confusion Matrix - Train");
```



Baseline Logistic Regression Confusion Matrix - Train



```
In [145... # Print classification Scores for the test set

y_pred = baseline_logreg.predict(X_test)
divider = ('-' * 60)
table = classification_report(y_test, y_pred, digits=3)

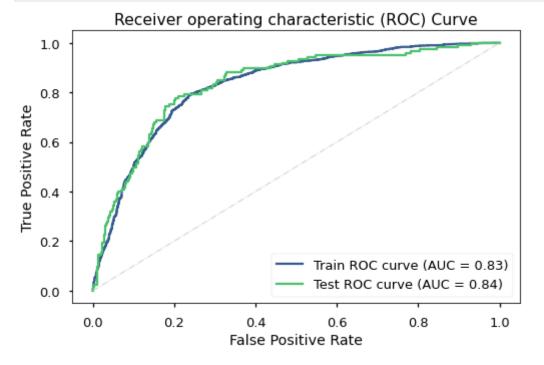
print('\n', 'Classification Report - Test', '\n')
print(divider)
print(table)
```

Classification Report - Test

	precision	recall	f1-score	support	
0	0.954 0.375	0.767 0.792	0.851 0.509	709 125	
_	0.373	0.732	0.505	123	
accuracy			0.771	834	
macro avg	0.665	0.780	0.680	834	
weighted avg	0.868	0.771	0.799	834	

```
In [146... # Quick look at the performance of our baseline model. We'll take a peek
# at the ROC curve first, even though our metric of interest is recall, and F1.

fig, ax2 = plt.subplots(figsize=(8,5))
plot_roc_curve(baseline_logreg, X_train, y_train, ax=ax2, name ='Train ROC curve', color=pal[1])
plot_roc_curve(baseline_logreg, X_test, y_test, ax=ax2, name ='Test ROC curve', color=pal[4])
ax2.plot([0, 1], [0, 1], color='lightgray', lw=1, linestyle='-.')
ax2.set_xlabel('False Positive Rate')
ax2.set_ylabel('True Positive Rate')
ax2.set_title('Receiver operating characteristic (ROC) Curve')
plt.show();
```



```
In [147... # Since we are more focused on our precision and recall we are going to look at the precision/ recall curve as
    y_train_score = baseline_logreg.predict_proba(X_train)[:, 1]
    y_test_score = baseline_logreg.predict_proba(X_test)[:, 1]

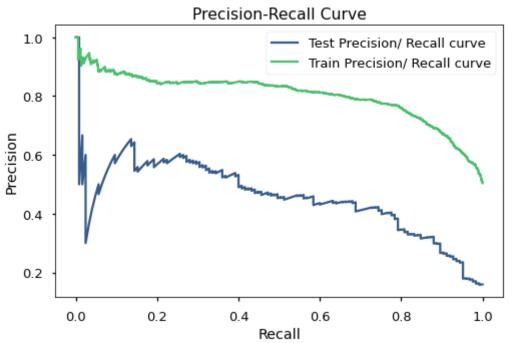
# Calculate precision and recall
    precision, recall, thresholds = precision_recall_curve(y_test, y_test_score)
    precision_train, recall_train, thresholds_train = precision_recall_curve(y_train, y_train_score)
```

```
# Create precision recall curve

fig, ax = plt.subplots(figsize=(8,5))
ax.plot(recall, precision, color=pal[1], label='Test Precision/ Recall curve')
ax.plot(recall_train, precision_train, color=pal[4], label='Train Precision/ Recall curve')

# Add axis labels to plot

ax.set_title('Precision-Recall Curve')
ax.set_ylabel('Precision')
ax.set_xlabel('Recall')
ax.legend()
plt.show()
```



Our model seems to be performing better on our training data set vs our test data set. This would suggest some overfitting happening. We will try and penalize our model and look into some hyperparameter tuning.

Tuned Logisitic Regression model

Next we will look at tuning our baseline model with some hyperparameters. We will select some random parameters in addition to the default values to see if we can improve the recall score, and ultimately the F1 score of our model.

```
# Parameters for our gridsearch, model optimization
In [148...
          parameters = {
              'estimator penalty': ['l1', 'l2', 'elasticnet'],
              'estimator__fit_intercept':[True, False],
              'estimator C' : [0.001, 0.01, 0.1, 0.5, 1, 10],
              'estimator_solver' : ['newton-cg', 'lbfgs', 'liblinear'],
              'estimator__max_iter' : [50, 100, 200, 300]
          # Create the grid, with "logreg pipeline" as the estimator
          best logreg = GridSearchCV(estimator=baseline logreg,
                                    param_grid=parameters,
                                    scoring='recall',
                                    cv=5,
                                    n jobs=-1
          # Train the pipeline (tranformations & predictor)
In [149...
          best_logreg.fit(X_train, y_train);
          # Let's take a look at our best parameters
          best_logreg.best_params_
Out[149... {'estimator__C': 0.1,
           'estimator fit intercept': False,
           'estimator max iter': 50,
          'estimator__penalty': 'l1',
           'estimator solver': 'liblinear'}
          # Scoring print out adapted from others -- Eva Mizer, and Aysu Erdemir.
In [150...
          # Capture roc auc for test, and train
          best logreg roc score train = roc auc score(y train, best logreg.predict proba(X train)[:, 1])
          best logreg roc score test = roc auc score(y test, best logreg.predict proba(X test)[:, 1])
```

```
# Capture recall scores for test and train
best logreg recall score train cv = cross val score(estimator=best logreg, X=X train, y=y train,
                                         cv=StratifiedKFold(shuffle=True), scoring='recall').mean()
best logreg recall score train = recall score(y train, best logreg.predict(X train))
best logreg recall score test = recall score(y test, best logreg.predict(X test))
# Capture fl scores for test and train
best_logreg_f1_score_train = f1_score(y_train, best_logreg.predict(X_train))
best logreg f1 score test = f1 score(y test, best logreg.predict(X test))
# Capture precision scores for test and train
best logreg precision score train = precision score(y train, best logreg.predict(X train))
best_logreg_precision_score_test = precision_score(y_test, best_logreg.predict(X_test))
print('\n', "Performance Comparison", '\n')
print(divider)
print(f" Train Roc Auc Score: {best logreg roc score train :.2%}")
print(f" Test Roc Auc Score: {best logreg roc score test :.2%}")
print(divider)
print(f" Train Recall score: {best logreg recall score train :.2%}")
print(f" Test Recall score: {best logreg recall score test :.2%}")
print(f" Mean Cross Validated Recall Score: {best_logreg_recall_score train cv :.2%}")
print(divider)
print(f" Train F1 score: {best logreg f1 score train :.2%}")
print(f" Test F1 score: {best logreg f1 score test :.2%}")
print(divider)
print(f" Train Precision score: {best logreg precision score train :.2%}")
print(f" Test Precision score: {best logreg precision score test :.2%}")
nrint/dividor !\n!\
```

Performance Comparison

Train Roc_Auc Score: 83.17%
Test Roc Auc Score: 83.52%

```
Train Recall score: 88.37%
Test Recall score: 89.60%
Mean Cross Validated Recall Score: 88.09%

Train F1 score: 78.04%
Test F1 score: 44.71%

Train Precision score: 69.87%
Test Precision score: 29.79%
```

Looks like our recall metric is performing better by a few points. Up to 88 on the training set and 90 on the test set. We are probably under fitting a little but not sure if that is a big deal since we are already beating our most frequent baseline of 85%.

```
In [151... # plotting confusion matrix for our tuned logistic regression - Test

fig, ax = plt.subplots(figsize=(8,5))

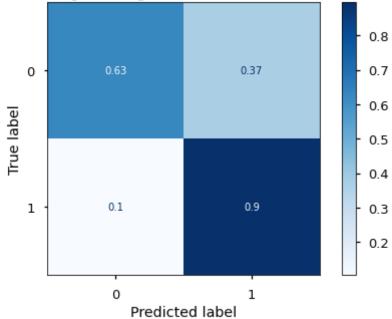
plot_confusion_matrix(best_logreg, X_test, y_test, ax=ax, cmap='Blues', normalize='true')
ax.set_title("Baseline Logistic Regression Confusion Matrix - Test");

# plotting confusion matrix for our tuned logistic regression - Train

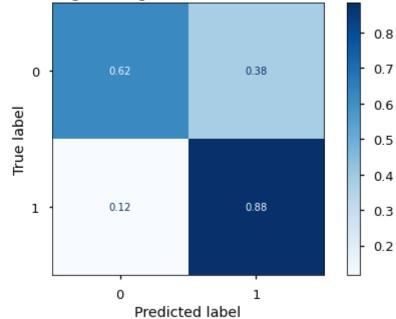
fig, ax = plt.subplots(figsize=(8,5))

plot_confusion_matrix(best_logreg, X_train, y_train, ax=ax, cmap='Blues', normalize='true')
ax.set_title("Baseline Logistic Regression Confusion Matrix - Train");
```





Baseline Logistic Regression Confusion Matrix - Train



```
In [152... # Print classification scores for the test set

y_pred = best_logreg.predict(X_test)
divider = ('-' * 60)
table = classification_report(y_test, y_pred, digits=3)

print('\n', 'Classification Report - Test', '\n')
print(divider)
print(table)
```

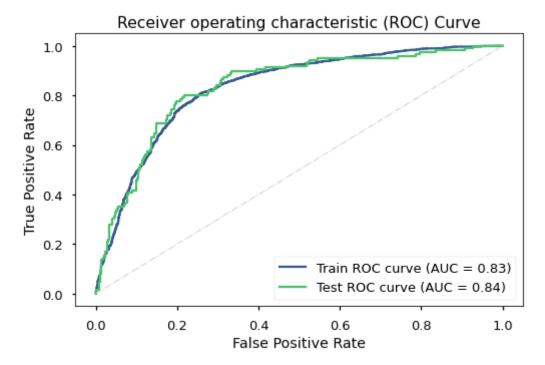
Classification Report - Test

	precision	recall	f1-score	support	
0	0.972	0.628	0.763	709	
1	0.298	0.896	0.447	125	
accuracy			0.668	834	
macro avg	0.635	0.762	0.605	834	
weighted avg	0.871	0.668	0.715	834	

Again peforming better on our recall scores -- however our f1 score is lagging behind our baseline model. Primarily because we aren't as concerned with the false positives as we mentioned before.

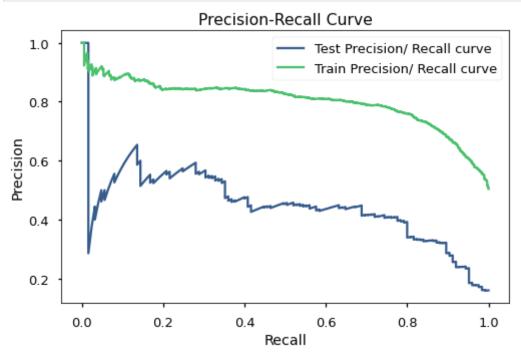
```
In [153... # Checking in on our ROC curve on our tuned model.

fig, ax2 = plt.subplots(figsize=(8,5))
    plot_roc_curve(best_logreg, X_train, y_train, ax=ax2, name ='Train ROC curve', color=pal[1])
    plot_roc_curve(best_logreg, X_test, y_test, ax=ax2, name ='Test ROC curve', color=pal[4])
    ax2.plot([0, 1], [0, 1], color='lightgray', lw=1, linestyle='-.')
    ax2.set_xlabel('False Positive Rate')
    ax2.set_ylabel('True Positive Rate')
    ax2.set_title('Receiver operating characteristic (ROC) Curve')
    plt.show();
```



```
ax.set_xlabel('Recall')
ax.legend()

plt.show()
```



Build Ridge Model

Baseline Ridge Model

First we will start with our baseline model. See if we can out perform out logistic regression baseline and tuned models.

```
# There is no predict probablities for ridge. So we will exclude those scores for this model. That
# will primarily impact the roc auc scoring.
# Capture recall scores for test and train
baseline ridge_recall_score_train_cv = cross_val_score(estimator=baseline_ridge, X=X_train, y=y_train,
                                         cv=StratifiedKFold(shuffle=True), scoring='recall').mean()
baseline ridge recall score train = recall score(y train, baseline ridge.predict(X train))
baseline ridge recall score test = recall score(y test, baseline ridge.predict(X test))
# Capture fl scores for test and train
baseline ridge f1 score train = f1 score(y train, baseline ridge.predict(X train))
baseline_ridge_f1_score_test = f1_score(y_test, baseline_ridge.predict(X_test))
# Capture precision scores for test and train
baseline_ridge_precision_score_train = precision_score(y_train, baseline_ridge.predict(X_train))
baseline_ridge_precision_score_test = precision_score(y_test, baseline_ridge.predict(X_test))
print('\n', "Performance Comparison", '\n')
print(divider)
print(f" Train Recall score: {baseline ridge recall score train :.2%}")
print(f" Test Recall score: {baseline ridge recall score test :.2%}")
print(f" Mean Cross Validated Recall Score: {baseline ridge recall score train cv :.2%}")
print(divider)
print(f" Train F1 score: {baseline ridge f1 score train :.2%}")
print(f" Test F1 score: {baseline_ridge_f1_score_test :.2%}")
print(divider)
print(f" Train Precision score: {baseline ridge precision score train :.2%}")
print(f" Test Precision score: {baseline ridge precision score test :.2%}")
nrin+(divider '\n')
Performance Comparison
```

Train Recall score: 77.07% Test Recall score: 79.20%

Mean Cross Validated Recall Score: 76.88%

```
Train F1 score: 77.14%

Test F1 score: 51.43%

Train Precision score: 77.21%

Test Precision score: 38.08%
```

Parameters for our gridsearch, model optimization

Very similar results as our logistic regression which isn't super suprising. We will continue to move forward with this model to see if the tuned version can perform any better than our baseline or hyper tuned logistic regressions.

Tuned Ridge Model

'estimator solver': 'auto'}

In [157...

```
parameters = {
              'estimator_alpha': ['1', '10', '20', '50'],
              'estimator fit intercept': [True, False],
              'estimator solver' : ['auto', 'lsqr', 'svd', 'sag', 'saga'],
              'estimator max iter' : [None, 50, 100, 200, 300]
          # Create the grid, with "logreg pipeline" as the estimator
          best ridge = GridSearchCV(estimator=baseline ridge,
                                    param grid=parameters,
                                    scoring='recall',
                                                         # my metric for scoring
                                                                # default folds
                                    cv=5,
                                    n jobs=-1
          # Train the pipeline (tranformations & predictor)
In [158...
          best_ridge.fit(X_train, y_train)
          # Let's take a look at our best parameters
          best ridge.best params
Out[158... {'estimator_alpha': '1',
          'estimator fit intercept': False,
          'estimator max iter': None,
```

```
# Scoring print out adapted from others -- Eva Mizer, and Aysu Erdemir.
In [159...
          # There is no predict probablities for ridge. So we will exclude those scores for this model. That
          # will primarily impact the roc_auc scoring.
          # Capture recall scores for test and train
          best ridge recall_score_train_cv = cross_val_score(estimator=best_ridge, X=X_train, y=y_train,
                                                   cv=StratifiedKFold(shuffle=True), scoring='recall').mean()
          best_ridge_recall_score_train = recall_score(y_train, best_ridge.predict(X_train))
          best ridge recall score test = recall score(y test, best ridge.predict(X test))
          # Capture fl scores for test and train
          best_ridge_fl_score_train = fl_score(y_train, best_ridge.predict(X train))
          best ridge f1 score test = f1 score(y test, best ridge.predict(X test))
          # Capture precision scores for test and train
          best ridge precision score train = precision score(y train, best ridge.predict(X train))
          best ridge precision score test = precision score(y test, best ridge.predict(X test))
          print('\n', "Performance Comparison", '\n')
          print(divider)
          print(f" Train Recall score: {best ridge recall score train :.2%}")
          print(f" Test Recall score: {best ridge recall score test :.2%}")
          print(f" Mean Cross Validated Recall Score: {best_ridge_recall_score_train_cv :.2%}")
          print(divider)
          print(f" Train F1 score: {best ridge f1 score train :.2%}")
          print(f" Test F1 score: {best ridge f1 score test :.2%}")
          print(divider)
          print(f" Train Precision score: {best ridge precision score train :.2%}")
          print(f" Test Precision score: {best ridge precision score test :.2%}")
          print(divider, '\n')
```

Performance Comparison

```
Train Recall score: 88.32%
Test Recall score: 88.80%
Mean Cross Validated Recall Score: 87.95%

Train F1 score: 77.64%
Test F1 score: 44.31%

Train Precision score: 69.27%
Test Precision score: 29.52%
```

Our tuned ridge model although performing better than it's respective baseline, the tuned results are similar to the baseline and tuned logistic regression models. If it were a choice at this point we would still entertain our core logistic regression model for classification.

Decision Tree Model

Baseline Decision Tree

Baseline model

In [160...

```
# Capture f1 scores for test and train
baseline tree f1 score train = f1 score(y train, baseline tree.predict(X train))
baseline_tree_f1_score_test = f1_score(y_test, baseline_tree.predict(X_test))
# Capture precision scores for test and train
baseline tree precision score train = precision score(y train, baseline tree.predict(X train))
baseline_tree_precision_score_test = precision_score(y_test, baseline_tree.predict(X_test))
print('\n', "Performance Comparison", '\n')
print(divider)
print(f" Train Roc Auc Score: {baseline_tree_roc_score_train :.2%}")
print(f" Test Roc Auc Score: {baseline tree roc score test :.2%}")
print(divider)
print(f" Train Recall score: {baseline_tree_recall_score_train :.2%}")
print(f" Test Recall score: {baseline tree recall score test :.2%}")
print(f" Mean Cross Validated Recall Score: {baseline_tree_recall_score_train_cv :.2%}")
print(divider)
print(f" Train F1 score: {baseline tree f1 score train :.2%}")
print(f" Test F1 score: {baseline tree f1 score test :.2%}")
print(divider)
print(f" Train Precision score: {baseline tree precision score train :.2%}")
print(f" Test Precision score: {baseline tree precision score test :.2%}")
print(divider, '\n')
Performance Comparison
Train Roc Auc Score: 100.00%
Test Roc Auc Score: 81.56%
Train Recall score: 100.00%
Test Recall score: 72.00%
```

Train F1 score: 100.00%

Test F1 score: 64.75%

Train Precision score: 100.00%

Test Precision score: 58.82%

Mean Cross Validated Recall Score: 91.36%

Holy over fitting batman. As you can see with our training data being at 100% there is some clear over fitting happening within our baseline Decision Tree model. This should get better with our tuning. It is worth noting however, that this is the highest F1 score we have seen thus far. Hopefully we can close the gap between our train and test sets since we are seeing a better F1 and a comparable recall score out of the gate.

Tuned Decision Tree Model

```
# Let's tune this model!
In [162...
          parameters = {
               'estimator criterion': ['gini', 'entropy'],
               'estimator__max_depth': [None, 3, 5, 10, 15, 20],
               'estimator max features': [None, 15, 5],
               'estimator _min_samples_split': [2, 5, 7, 10],
               'estimator min samples leaf': [1, 2, 5]
          # Grid with our baseline tree as our estimator
          best_tree = GridSearchCV(estimator=baseline_tree,
                                     param grid=parameters,
                                     scoring='recall',
                                     cv=5,
                                     n jobs=-1
In [163...
          # Train the pipeline based on our most appropriate parameters
          best_tree.fit(X_train, y_train);
          best tree.best params
Out[163... {'estimator__criterion': 'entropy',
           'estimator max depth': None,
           'estimator max features': None,
           'estimator min samples leaf': 1,
           'estimator min samples split': 2}
In [164...
          # Scoring print out adapted from others -- Eva Mizer, and Aysu Erdemir.
```

```
# Capture roc auc for test, and train
best_tree_roc_score_train = roc_auc_score(y_train, best_tree.predict_proba(X_train)[:, 1])
best_tree_roc_score_test = roc_auc_score(y_test, best_tree.predict_proba(X_test)[:, 1])
# Capture recall scores for test and train
best_tree_recall_score_train_cv = cross_val_score(estimator=best_tree, X=X_train, y=y_train,
                                        cv=StratifiedKFold(shuffle=True), scoring='recall').mean()
best tree recall score train = recall score(y train, best tree.predict(X train))
best_tree_recall_score_test = recall_score(y_test, best_tree.predict(X_test))
# Capture f1 scores for test and train
best tree f1 score train = f1 score(y train, best tree.predict(X train))
best_tree_f1_score_test = f1_score(y_test, best_tree.predict(X_test))
# Capture precision scores for test and train
best_tree_precision_score_train = precision_score(y_train, best_tree.predict(X_train))
best_tree_precision_score_test = precision_score(y_test, best_tree.predict(X_test))
print('\n', "Performance Comparison", '\n')
print(divider)
print(f" Train Roc Auc Score: {best tree roc score train :.2%}")
print(f" Test Roc_Auc Score: {best_tree_roc_score_test :.2%}")
print(divider)
print(f" Train Recall score: {best_tree_recall_score_train :.2%}")
print(f" Test Recall score: {best tree recall score test :.2%}")
print(f" Mean Cross Validated Recall Score: {best tree recall score train cv :.2%}")
print(divider)
print(f" Train F1 score: {best tree f1 score train :.2%}")
print(f" Test F1 score: {best tree f1 score test :.2%}")
print(divider)
print(f" Train Precision score: {best tree precision score train :.2%}")
print(f" Test Precision score: {best tree precision score test :.2%}")
```

```
Train Roc_Auc Score: 100.00%
Test Roc_Auc Score: 79.84%

Train Recall score: 100.00%
Test Recall score: 70.40%
Mean Cross Validated Recall Score: 92.06%

Train F1 score: 100.00%
Test F1 score: 60.90%

Train Precision score: 100.00%
Test Precision score: 53.66%
```

Not much improvement on our tuned model. Going to move on to our next model.

Random Forest

Baseline Forest

```
baseline_RF_recall_score_train_cv = cross_val_score(estimator=baseline_RF, X=X_train, y=y_train,
                                         cv=StratifiedKFold(shuffle=True), scoring='recall').mean()
baseline RF recall score train = recall score(y train, baseline RF.predict(X train))
baseline RF recall score test = recall score(y test, baseline RF.predict(X test))
# Capture fl scores for test and train
baseline RF f1 score train = f1 score(y train, baseline RF.predict(X train))
baseline_RF_f1_score_test = f1_score(y_test, baseline_RF.predict(X_test))
# Capture precision scores for test and train
baseline_RF_precision_score_train = precision_score(y_train, baseline_RF.predict(X_train))
baseline RF precision score test = precision score(y test, baseline RF.predict(X test))
print('\n', "Performance Comparison", '\n')
print(divider)
print(f" Train Roc_Auc Score: {baseline_RF_roc_score_train :.2%}")
print(f" Test Roc_Auc Score: {baseline_RF_roc_score_test :.2%}")
print(divider)
print(f" Train Recall score: {baseline_RF_recall_score_train :.2%}")
print(f" Test Recall score: {baseline RF recall score test :.2%}")
print(f" Mean Cross Validated Recall Score: {baseline RF recall score train cv :.2%}")
print(divider)
print(f" Train F1 score: {baseline RF f1 score train :.2%}")
print(f" Test F1 score: {baseline_RF_f1_score_test :.2%}")
print(divider)
print(f" Train Precision score: {baseline RF precision score train :.2%}")
print(f" Test Precision score: {baseline RF precision score test :.2%}")
print(divider, '\n')
```

Performance Comparison

Train Roc_Auc Score: 100.00%

Test Roc_Auc Score: 94.06%

Train Recall score: 100.00%

Test Recall score: 77.60%

```
Mean Cross Validated Recall Score: 94.91%

Train F1 score: 100.00%

Test F1 score: 80.83%

Train Precision score: 100.00%

Test Precision score: 84.35%
```

Again, some serious over fitting on our training data however we do see some life now in our F1 score. Our recall is also holding strong in a range that we have seen in our previous models.

Tuned Forest

```
# Parameters for our gridsearch, model optimization
In [167...
          parameters = {
              #'estimator n estimators': [100, 150, 200],
              #'estimator criterion': ['entropy', 'gini'],
              'estimator max depth': [2, 5],
              #'estimator max features': [2, 5, 10],
              'estimator min samples split': [10, 20, 50],
              'estimator min samples leaf': [1, 2, 4]
          best_RF = GridSearchCV(estimator=baseline_RF,
                                  param grid=parameters,
                                  scoring='recall',
                                  cv=5,
                                  n jobs=-1
          # Train the pipeline based on our most appropriate parameters
In [168...
          best RF.fit(X train, y train)
          best RF.best_params_
Out[168... {'estimator_max depth': 5,
           'estimator min samples leaf': 2,
          'estimator min samples split': 10}
          # Scoring print out adapted from others -- Eva Mizer, and Aysu Erdemir.
In [169...
          # Capture roc auc for test, and train
```

```
best RF roc score train = roc auc score(y train, best RF.predict proba(X train)[:, 1])
best_RF_roc_score_test = roc_auc_score(y_test, best_RF.predict_proba(X_test)[:, 1])
# Capture recall scores for test and train
best RF recall score train cv = cross val score(estimator=best RF, X=X train, y=y train,
                                         cv=StratifiedKFold(shuffle=True), scoring='recall').mean()
best RF recall score train = recall score(y train, best RF.predict(X train))
best RF recall score test = recall score(y test, best RF.predict(X test))
# Capture fl scores for test and train
best RF f1 score train = f1 score(y train, best RF.predict(X train))
best RF f1 score test = f1 score(y test, best RF.predict(X test))
# Capture precision scores for test and train
best RF precision score train = precision score(y train, best RF.predict(X train))
best RF precision score test = precision score(y test, best RF.predict(X test))
print('\n', "Performance Comparison", '\n')
print(divider)
print(f" Train Roc Auc Score: {best RF roc score train :.2%}")
print(f" Test Roc Auc Score: {best RF roc score test :.2%}")
print(divider)
print(f" Train Recall score: {best RF recall score train :.2%}")
print(f" Test Recall score: {best RF recall score test :.2%}")
print(f" Mean Cross Validated Recall Score: {best RF recall score train cv :.2%}")
print(divider)
print(f" Train F1 score: {best RF f1 score train :.2%}")
print(f" Test F1 score: {best RF f1 score test :.2%}")
print(divider)
print(f" Train Precision score: {best RF precision score train :.2%}")
print(f" Test Precision score: {best RF precision score test :.2%}")
print(divider, '\n')
```

```
Train Roc_Auc Score: 95.78%
Test Roc_Auc Score: 91.79%

Train Recall score: 84.49%
Test Recall score: 78.40%
Mean Cross Validated Recall Score: 84.03%

Train F1 score: 88.89%
Test F1 score: 70.50%

Train Precision score: 93.78%
Test Precision score: 64.05%
```

This model is looking much better now that we tuned out some of the noise from our baseline model. So far this is the best performing model from both a Recall, and from an F1 perspective.

XG Boost Model

Baseline XGBoost

```
baseline_xgb_recall_score_train = recall_score(y_train, baseline_xgb.predict(X_train))
baseline xgb recall score test = recall score(y test, baseline xgb.predict(X test))
# Capture fl scores for test and train
baseline_xgb_f1_score_train = f1_score(y_train, baseline_xgb.predict(X_train))
baseline xgb f1 score test = f1 score(y test, baseline xgb.predict(X test))
# Capture precision scores for test and train
baseline_xgb_precision_score_train = precision_score(y_train, baseline_xgb.predict(X_train))
baseline xgb_precision_score_test = precision_score(y_test, baseline_xgb.predict(X_test))
print('\n', "Performance Comparison", '\n')
print(divider)
print(f" Train Roc Auc Score: {baseline xgb roc score train :.2%}")
print(f" Test Roc Auc Score: {baseline xgb roc score test :.2%}")
print(divider)
print(f" Train Recall score: {baseline xgb recall score train :.2%}")
print(f" Test Recall score: {baseline xgb recall score test :.2%}")
print(f" Mean Cross Validated Recall Score: {baseline xgb recall score train cv :.2%}")
print(divider)
print(f" Train F1 score: {baseline xgb f1 score train :.2%}")
print(f" Test F1 score: {baseline xgb f1 score test :.2%}")
print(divider)
print(f" Train Precision score: {baseline xgb precision score train :.2%}")
print(f" Test Precision score: {baseline xgb precision score test :.2%}")
main+ (dissiden | |\ml)
Performance Comparison
Train Roc Auc Score: 100.00%
Test Roc Auc Score: 92.54%
Train Recall score: 100.00%
Test Recall score: 76.00%
Mean Cross Validated Recall Score: 96.12%
Train F1 score: 100.00%
```

```
Train Precision score: 100.00%
Test Precision score: 92.23%
```

Clear over fitting again, but positive measurements on our F1 test score. Going to tune our parameters again and see if we can create a nice fitting model to predict our customer churn!

Tuned XGBoost

```
# Tuning our XGB model.
In [172...
          parameters = {
              "estimator n estimators": [50, 75],
              "estimator__learning_rate": [0.05, 0.1, 0.2],
              "estimator__max_depth": [4, 5, 6],
               'estimator gamma': [0.5, 1],
               'estimator min child weight': [3, 4, 5],
               'estimator subsample': [0.5, 0.75],
               'estimator colsample bytree':[0.5, 0.75]
          best xgb = GridSearchCV(estimator=baseline xgb,
                                  param grid=parameters,
                                   scoring='recall',
                                  cv=5,
                                   n_{jobs=-1}
          # Train the pipeline based on our most appropriate parameters
In [173...
          best xgb.fit(X train, y train)
          best_xgb.best_params_
Out[173... {'estimator_colsample bytree': 0.75,
           'estimator gamma': 0.5,
           'estimator learning rate': 0.2,
           'estimator max depth': 6,
           'estimator min child weight': 3,
           'estimator n estimators': 75,
           'estimator subsample': 0.75}
```

```
# Scoring print out adapted from others -- Eva Mizer, and Aysu Erdemir.
In [174...
          # Capture roc auc for test, and train
          best_xgb_roc_score_train = roc_auc_score(y_train, best_xgb.predict proba(X train)[:, 1])
          best_xgb_roc_score_test = roc_auc_score(y_test, best_xgb.predict_proba(X_test)[:, 1])
          # Capture recall scores for test and train
          best xgb recall score train cv = cross val score(estimator=best xgb, X=X train, y=y train,
                                                   cv=StratifiedKFold(shuffle=True), scoring='recall').mean()
          best_xgb_recall_score_train = recall_score(y_train, best_xgb.predict(X_train))
          best xgb recall score test = recall score(y test, best xgb.predict(X test))
          # Capture fl scores for test and train
          best xgb f1 score train = f1 score(y train, best xgb.predict(X train))
          best xgb f1 score test = f1 score(y test, best xgb.predict(X test))
          # Capture precision scores for test and train
          best xgb precision score train = precision score(y train, best xgb.predict(X train))
          best xqb precision score test = precision score(y test, best xqb.predict(X test))
          print('\n', "Performance Comparison", '\n')
          print(divider)
          print(f" Train Roc Auc Score: {best xgb roc score train :.2%}")
          print(f" Test Roc Auc Score: {best xgb roc score test :.2%}")
          print(divider)
          print(f" Train Recall score: {best xgb recall score train :.2%}")
          print(f" Test Recall score: {best xgb recall score test :.2%}")
          print(f" Mean Cross Validated Recall Score: {best xgb recall score train cv :.2%}")
          print(divider)
          print(f" Train F1 score: {best xgb f1 score train :.2%}")
          print(f" Test F1 score: {best xqb f1 score test :.2%}")
          print(divider)
```

```
print(f" Train Precision score: {best_xgb_precision_score_train :.2%}")
print(f" Test Precision score: {best_xgb_precision_score_test :.2%}")

Performance Comparison

Train Roc_Auc Score: 99.99%
Test Roc_Auc Score: 93.80%

Train Recall score: 98.65%
Test Recall score: 78.40%
Mean Cross Validated Recall Score: 95.89%

Train F1 score: 99.22%
Test F1 score: 83.40%

Train Precision score: 99.81%
Test Precision score: 89.09%
```

The model still seems to be overfitting. However, the performance within our Recall and our F1 score really shows the balance that we were looking for within our classification model.

Model Evalution

Comparison between Models

Although the best performing model based on recall only was our tuned logistic regression, and our tuned ridge model, the best performing model from both a Recall and a F1 perspective was our tuned XGBoost model. This model was able to predict our positive cases at a rate of 78%, and our negative cases of churn at 98% within the test data sets. We will go back and visualize some of these metrics below.

```
# Since we are more focused on our precision and recall we are going to look at the precision/ recall curve as

y_test_score_best_logreg = best_logreg.predict_proba(X_test)[:, 1]

y_test_score_best_logreg = best_logreg.predict_proba(X_test)[:, 1]

# Calculate precision and recall

precision, recall, thresholds = precision_recall_curve(y_test, y_test_score_best_logreg)

precision_train, recall_train, thresholds_train = precision_recall_curve(y_train, y_train_score)
```

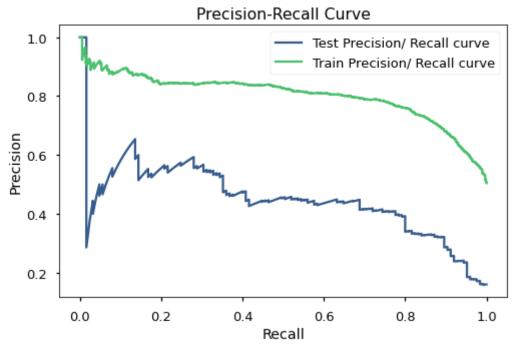
```
# Create precision recall curve

fig, ax = plt.subplots(figsize=(8,5))
ax.plot(recall, precision, color=pal[1], label='Test Precision/ Recall curve')
ax.plot(recall_train, precision_train, color=pal[4], label='Train Precision/ Recall curve')

# Add axis labels to plot

ax.set_title('Precision-Recall Curve')
ax.set_ylabel('Precision')
ax.set_xlabel('Recall')
ax.legend()

plt.show()
```



Final Model

So in Summary, our best performing model according to the best recall, and F1 score is our Tuned XGBoost model. As mentioned above, we are able to successfully predict our groups for churn approximately 78% of the time, without sacrificing groups that we are

not able to successfully predict, and they churn (false negatives).

Let's first start by taking a look back at our summary metrics and performance of our best performing model.

```
# Scoring print out adapted from others -- Eva Mizer, and Aysu Erdemir.
In [176...
          print('\n', "Performance Comparison", '\n')
          print(divider)
          print(f" Train Roc Auc Score: {best xgb roc score train :.2%}")
          print(f" Test Roc_Auc Score: {best_xgb_roc_score_test :.2%}")
          print(divider)
          print(f" Train Recall score: {best_xgb_recall_score_train :.2%}")
          print(f" Test Recall score: {best xgb recall score test :.2%}")
          print(f" Mean Cross Validated Recall Score: {best xgb recall score train cv :.2%}")
          print(divider)
          print(f" Train F1 score: {best_xgb_f1_score train :.2%}")
          print(f" Test F1 score: {best xgb f1 score test :.2%}")
          print(divider)
          print(f" Train Precision score: {best xgb precision score train :.2%}")
          print(f" Test Precision score: {best xgb precision score test :.2%}")
          print(divider, '\n')
          Performance Comparison
          Train Roc Auc Score: 99.99%
          Test Roc Auc Score: 93.80%
          Train Recall score: 98.65%
          Test Recall score: 78.40%
          Mean Cross Validated Recall Score: 95.89%
          Train F1 score: 99.22%
          Test F1 score: 83.40%
          Train Precision score: 99.81%
          Test Precision score: 89.09%
          # Confusion matrix for our best performing model
In [177...
          fig, ax = plt.subplots(figsize=(8,5))
```

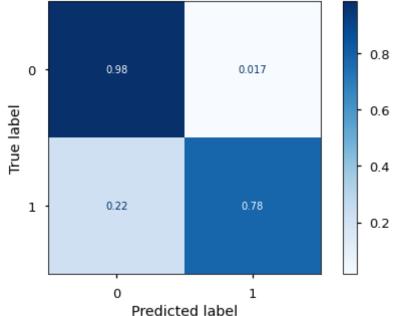
```
plot_confusion_matrix(best_xgb, X_test, y_test, ax=ax, cmap='Blues', normalize='true')
ax.set_title("Baseline Logistic Regression Confusion Matrix - Test");

# plotting confusion matrix for our tuned logistic regression - Train

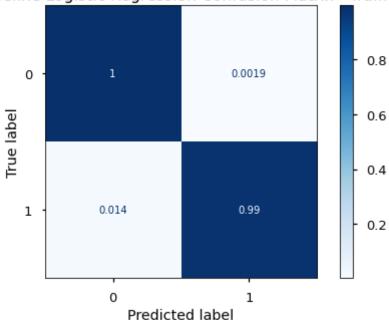
fig, ax = plt.subplots(figsize=(8,5))

plot_confusion_matrix(best_xgb, X_train, y_train, ax=ax, cmap='Blues', normalize='true')
ax.set title("Baseline Logistic Regression Confusion Matrix - Train");
```

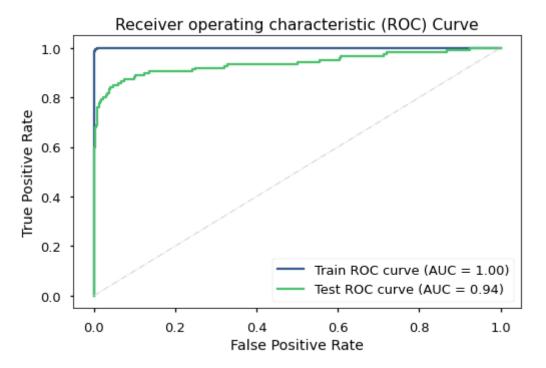
Baseline Logistic Regression Confusion Matrix - Test



Baseline Logistic Regression Confusion Matrix - Train



```
fig, ax2 = plt.subplots(figsize=(8,5))
    plot_roc_curve(best_xgb, X_train, y_train, ax=ax2, name ='Train ROC curve', color=pal[1])
    plot_roc_curve(best_xgb, X_test, y_test, ax=ax2, name ='Test ROC curve', color=pal[4])
    ax2.plot([0, 1], [0, 1], color='lightgray', lw=1, linestyle='-.')
    ax2.set_xlabel('False Positive Rate')
    ax2.set_ylabel('True Positive Rate')
    ax2.set_title('Receiver operating characteristic (ROC) Curve')
    plt.show();
```



```
In [179... # Precision Recall curve for our best performing model

y_train_score = best_xgb.predict_proba(X_train)[:, 1]
y_test_score = best_xgb.predict_proba(X_test)[:, 1]

# Calculate precision and recall

precision, recall, thresholds = precision_recall_curve(y_test, y_test_score)
precision_train, recall_train, thresholds_train = precision_recall_curve(y_train, y_train_score)

# Create precision recall curve

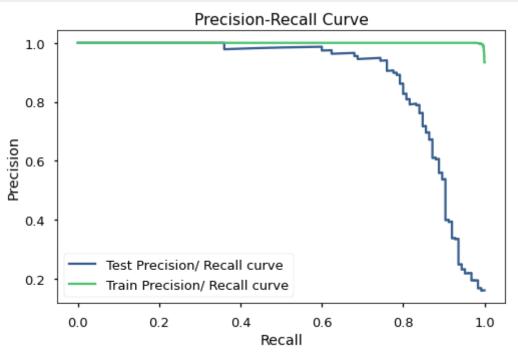
fig, ax = plt.subplots(figsize=(8,5))
ax.plot(recall, precision, color=pal[1], label='Test Precision/ Recall curve')
ax.plot(recall_train, precision_train, color=pal[4], label='Train Precision/ Recall curve')

# Add axis labels to plot

ax.set_title('Precision-Recall Curve')
ax.set_ylabel('Precision')
```

```
ax.set_xlabel('Recall')
ax.legend()

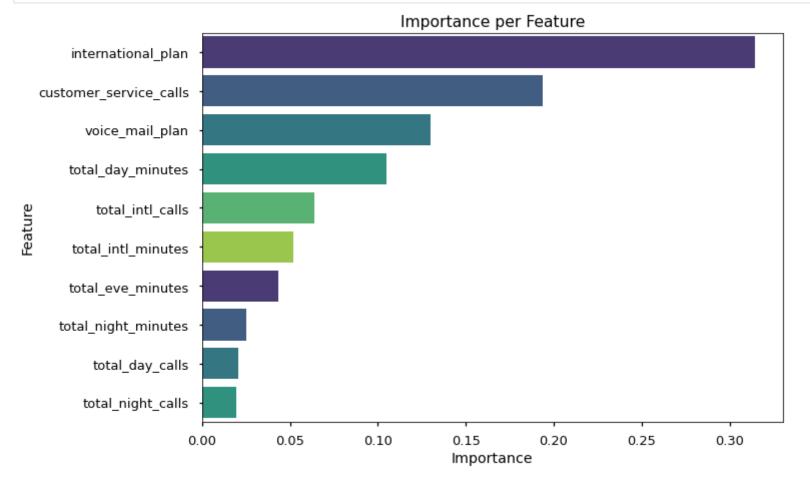
plt.show()
```



```
In [182... # Visualize our Feature importances

feature_imp_xgb = pd.DataFrame(pd.Series(best_xgb.estimator.steps[1][1].feature_importances_, index=df_X_train_feature_imp_xgb = feature_imp_xgb.head(10)
    feature_imp_xgb['index'] = feature_imp_xgb.index
    feature_imp_xgb.head()

ax = sns.barplot(x=feature_imp_xgb[0], y=feature_imp_xgb['index'], data=feature_imp_xgb, palette=pal)
    ax.set_xlabel('Importance')
    ax.set_ylabel('Feature')
    ax.set_title('Importance per Feature');
```



Recommendations & Summary

The top 3 features that lead to churn are customers that have the international plan, folks that engage with customer service frequently, and those with the voice mail plan. Those that are engaging with customer service already, most likely have some other questions or concern about the value that the features/ service are providing. These would be good indicators of risk, and information to understand what issues customers are experiencing.

Having customer service calls on this list, actually will make it easier to identify risk within the customer base. Thus making the outbound efforts to engage with customers with the international plan and the voice mail plan that aren't engaging frequently with customer service.

- 1. Once a customer reaches 3 customer service calls, flag the account as at risk. Once the account reaches 4 calls, the probability of canceling goes from 10% to 45%.
- 2. Customers that have the international plan and the voice mail plan should be surveyed to understand product performance and value. Although the voice mail plan performances better when paired with the international plan, it should be noted still that no international plan, and no voice mail plan performs the worst of the possible feature combinations (with those products).
- 3. Scale pricing to offer some relief for customers that use the plan more often. The pricing scale doesn't incentivize more usage of the product. Another option would be to look at unlimited usage based pricing, to give customers that use the plan more, the relief knowing that if they use the plan more, they won't necessarily be charged more for that usage.