# SYRIA-TEL CUSTOMER CHURN PREDICTION

Non-Technical Presentation Prepared by: James Gatonye



#### **Project Overview**

This project aims to help the business understand and reduce customer churn by using machine learning models to predict which customers are likely to leave.

# Business Understanding

Customer churn has a direct impact on revenue.

 By predicting churn, we can proactively take action to retain high-risk customers.

Reducing churn will improve long-term customer value.

#### Data Overview

- used customer data including:
- Contract type
- Monthly charges
- Tenure
- Internet service
- Payment methods

Data was cleaned, encoded, and prepared for modeling

# Modeling Approach

#### I built 2 models as follows:

- 1. Logistic Regression (baseline): A simple, interpretable model to establish a performance benchmark.
- 2. Decision Tree:
- Baseline version
- Tuned version

Classification is appropriate here because our goal is to predict a category: whether a customer will churn (Yes/No).

#### Model Performance

I evaluated all models using accuracy, precision, recall, and ROC AUC.

Logistic Regression (Baseline):

Accuracy: 86.1%

Precision (Churn): 54%

Recall (Churn): 26%

**ROC AUC: 0.81** 

#### **Model Performance**

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Decision Tree (Baseline):
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- Accuracy: 91.8%

Good on non-churners, but risk of overfitting.

Decision Tree (Tuned):

**Accuracy: 91.8%** 

Precision (Churn): 76%

Recall (Churn): 63%

**ROC AUC: 0.81** 

The tuned decision tree provided the best balance between recall and interpretability.

#### Insights & Recommendations

- Customers with month-to-month contracts are more likely to churn.
- High monthly charges increase churn risk.
- Customers without internet service are less likely to churn.
- We recommend targeted retention offers for high-risk segments.

### **Next Steps**

Deploy model to flag high-risk customers weekly.

Integrate predictions into CRM for personalized retention actions.

Continue refining the model with new data.

# Appreciation

We would like to thank Kaggle for allowing us access to their website to extract the Telcom's Churn data which made these analysis possible.

**Questions?** 

We would love to hear your take on this! Please feel free to get in touch.

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