# RapidMiner Project Example

Telco Customer Churn Prediction (data from Kaggle)

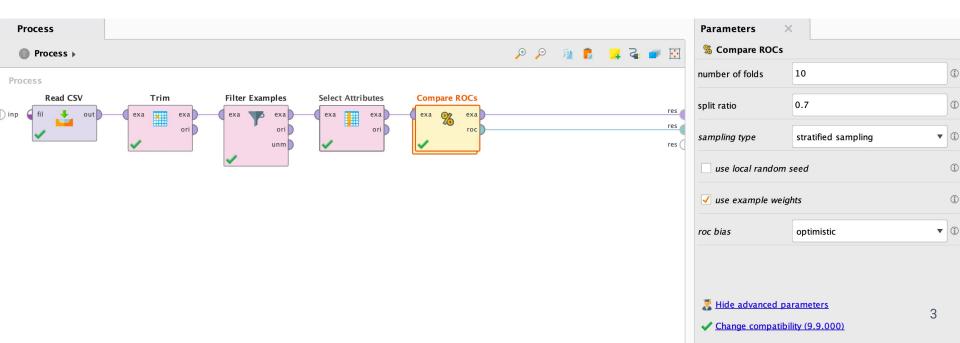
Create by Michael Kim

# Data Preparation

- The data for this assignment has been downloaded from Kaggle (https://www.kaggle.com/blastchar/telco-customer-churn).
- I have split the data into a training dataset and a test dataset (7:3 ratio).
- Churn (Yes/No) is the <u>label</u> column.

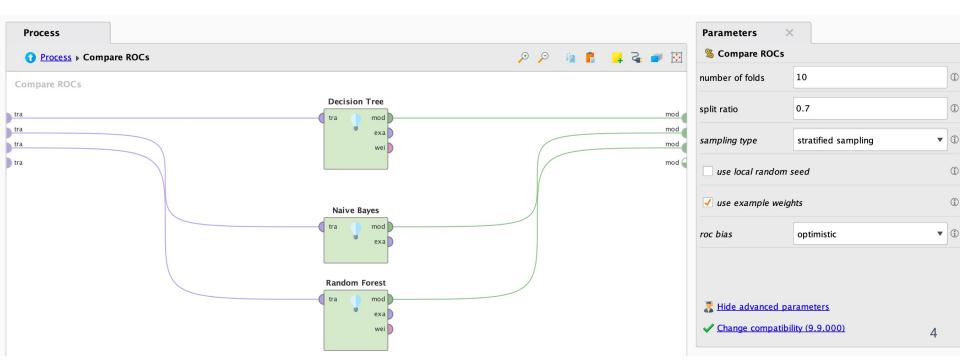
# Data Preparation & Cleaning

- The data is very clean, except that there are a few missing values in TotalCharges column.
- Used 'Trim' & 'Filter Examples' operator to get rid of missing values, and 'Select Attributes' operator to filter out <u>customerID</u> column.



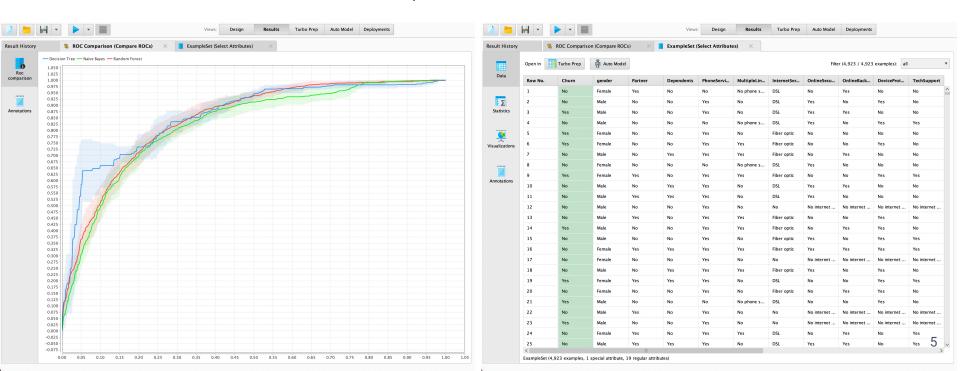
## Model Selection: Classification

- Used 'Compare ROCs' operator to determine the best classification algorithms.
- Within 'Compare ROCs', I put Decision Tree, Random Forest and Naïve Bayes.



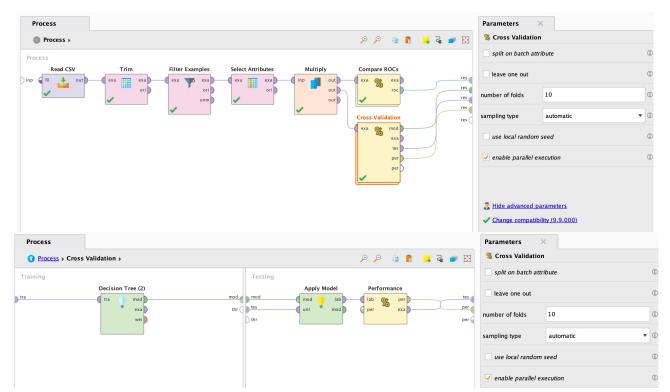
### **ROC Curve**

- The closer an ROC curve is to the upper left corner, the more efficient is the model.
- Decision Tree is the best model developed for this data.



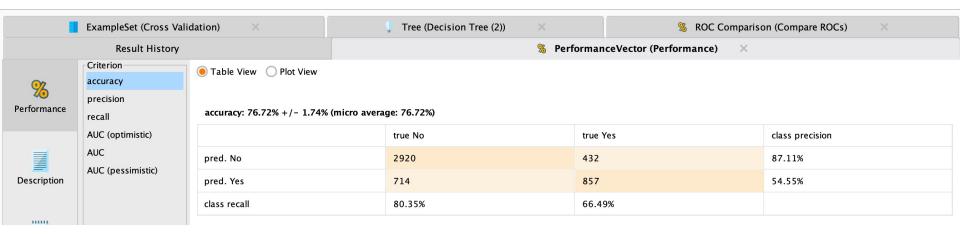
## Model Evaluation with Cross Validation

• To measure the model performance, 'Cross Validation' operator is used. In this process, *Decision Tree* algorithm is used.



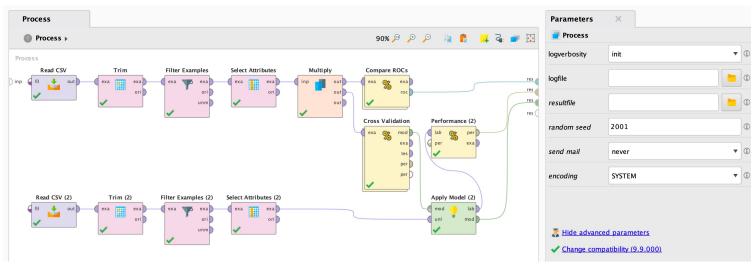
# Decision Tree Performance

The accuracy of the model: 76.72%



## Model Evaluation

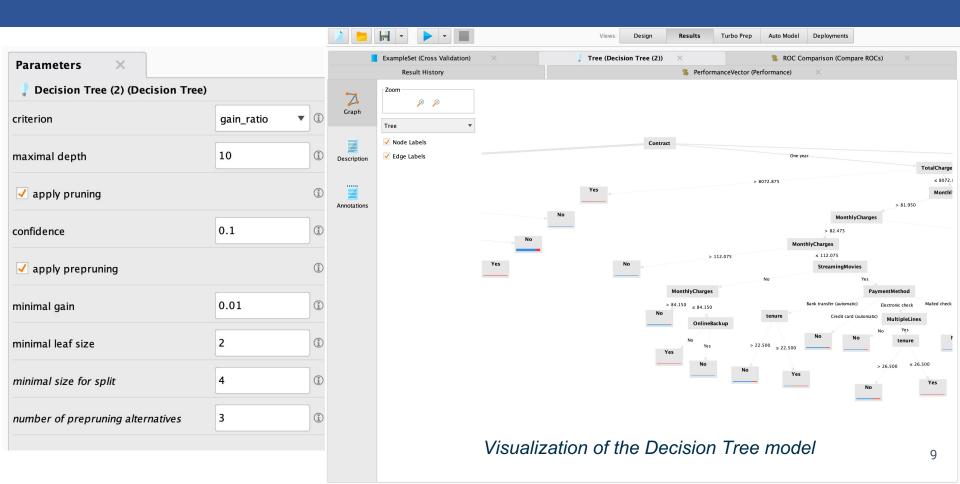
Applied the model on the <u>test</u> dataset, and the accuracy is 75.34%



accuracy: 75.34%

	true No	true Yes	class precision
pred. No	1212	203	85.65%
pred. Yes	317	377	54.32%
class recall	79.27%	65.00%	8

## Decision Tree: Overview & Visualization



# Decision Tree: Description & Important Features







```
Tree
```

```
Contract = Month-to-month
    tenure > 70.500: No {No=4, Yes=0}
    tenure ≤ 70.500
        TotalCharges > 19.075
            InternetService = DSL
                tenure > 2.500
                    TotalCharges > 73.375: No {No=489, Yes=150}
                    TotalCharges ≤ 73.375: Yes {No=0, Yes=2}
                tenure ≤ 2.500
                    SeniorCitizen > 0.500
                        MonthlyCharges > 43,650
                            OnlineSecurity = No
                                MonthlyCharges > 50.050: Yes {No=0, Yes=3}
                                MonthlyCharges ≤ 50.050: No {No=6, Yes=4}
                            OnlineSecurity = Yes: Yes {No=0, Yes=5}
                        MonthlyCharges ≤ 43.650; Yes {No=0, Yes=11}
                    SeniorCitizen ≤ 0.500
                        TechSupport = No
                            MonthlyCharges > 64.250: Yes {No=0, Yes=2}
                            MonthlyCharges ≤ 64.250
                                MonthlyCharges > 60.500: No {No=6, Yes=0}
                                MonthlyCharges ≤ 60.500: Yes {No=67, Yes=86}
                        TechSupport = Yes
                            StreamingMovies = No
                                MonthlyCharges > 57.575: Yes {No=0, Yes=2}
                                MonthlyCharges ≤ 57.575: No {No=12, Yes=6}
                            StreamingMovies = Yes: No {No=5, Yes=0}
            InternetService = Fiber optic
                TotalCharges > 69.875
                    MonthlyCharges > 68,450
                        MonthlyCharges > 68,900
                            tenure > 1.500: Yes {No=655, Yes=678}
                                TechSupport = No: Yes {No=19. Yes=114}
                                TechSupport = Yes: No {No=5, Yes=2}
                        MonthlyCharges \leq 68.900: No {No=2. Yes=0}
                    MonthlyCharges \leq 68.450: Yes {No=0, Yes=2}
                TotalCharges ≤ 69.875: Yes {No=0, Yes=20}
            InternetService = No: No {No=305, Yes=63}
        TotalCharges ≤ 19.075: No {No=3, Yes=0}
Contract = One year
    TotalCharges > 8072.875: Yes {No=0, Yes=3}
   TotalCharges ≤ 8072.875
        MonthlyCharges > 81.950
            MonthlyCharges > 82.475
               MonthlyCharges > 112.075: No {No=14, Yes=0}
                Manth 1... Channa - 112 075
```

According to the description of the Decision Tree model, the most important factors that determine the customer churn are:

- Contract
- TotalCharges
- Tenure
- MonthlyCharges
- InternetService
- SeniorCitizen

### Conclusion

- The purpose of the data modeling is to predict the customer churn.
- Decision Tree, Random Forest and Naïve Bayes has been used to determine the best classification model, and **Decision Tree** is the best model developed for this data.
- To measure the model performance, 'Cross Validation' operator is used and *Decision Tree* algorithm is used in this process. The accuracy of the model is **76.72%**.
- When the model is applied on the <u>test</u> dataset, and the accuracy is 75.34%
- The most important factors that determine the customer churn are: *Contract*, *TotalCharges*, *Tenure*, *MonthlyCharges*, *InternetService*, and *SeniorCitizen*.

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Thank you!