

Reducing Customer Churn: A Data-Driven Strategy for SyriaTel

- **Subtitle:** Identifying at-risk customers to protect revenue and improve retention.
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Overview (Beginning)

- The Challenge:** SyriaTel is losing revenue when customers "churn" (stop using our services).
- The Opportunity:** By predicting who is likely to leave, we can intervene before they go.
- Project Goal:** Build a predictive model to identify high-risk customers and understand the "why" behind their departure.
- Key Outcome:** A tool that allows for proactive, personalized marketing and service improvements.

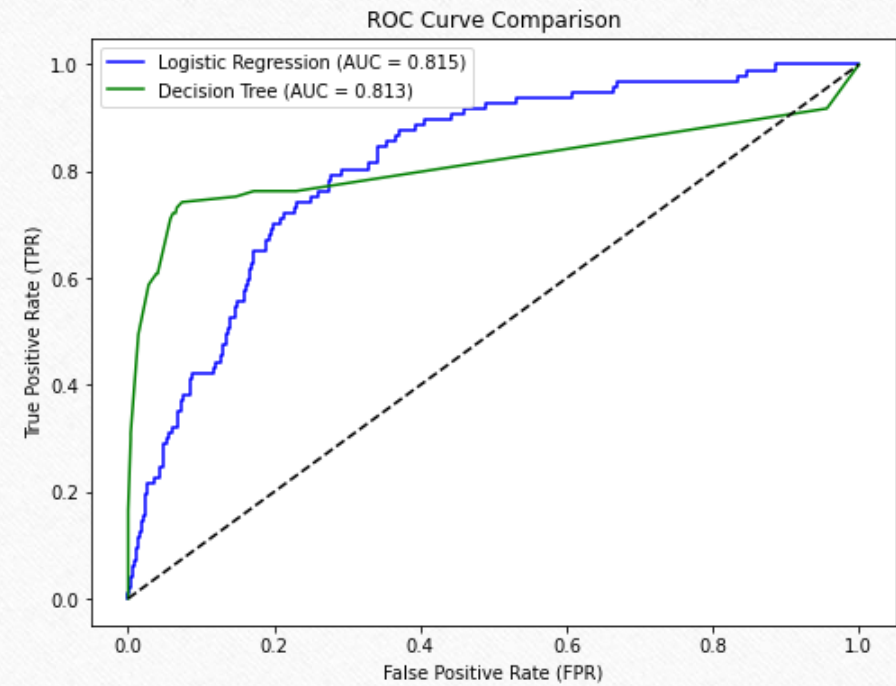
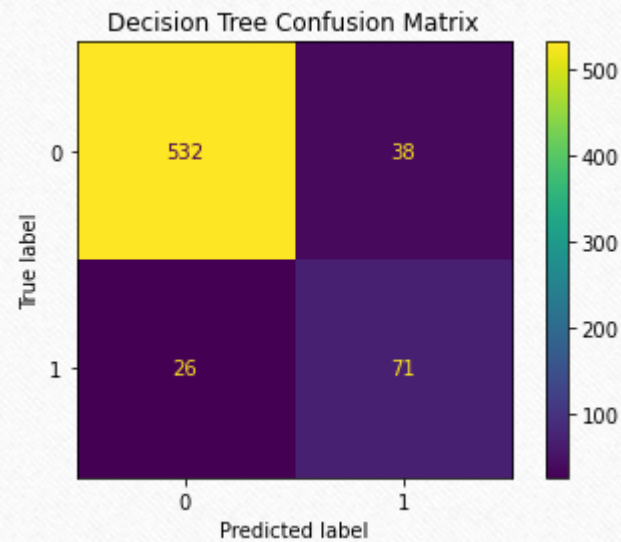
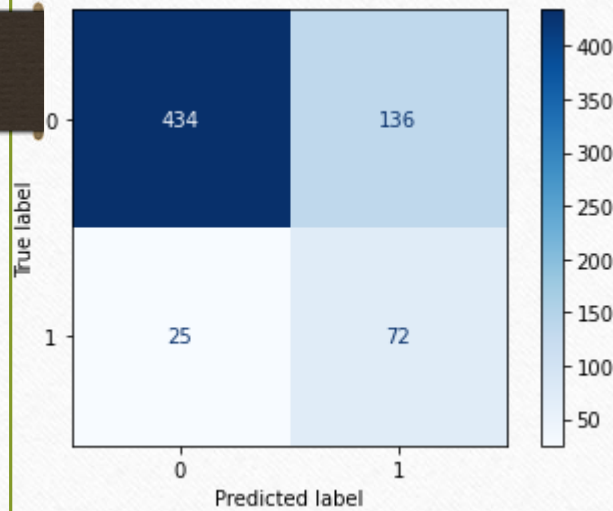
Business & Data Understanding

- **Business Impact:** Every lost customer is a direct hit to our bottom line. Retention is more cost-effective than acquisition.
- **Our Data:** We analyzed 3,333 customer records, including:
 - **Call Patterns:** Minutes and charges across day, evening, and night.
 - **Service Interaction:** Number of customer service calls.
 - **Plan Types:** Presence of international or voice mail plans.
- **Goal:** Move from reactive to proactive customer management.

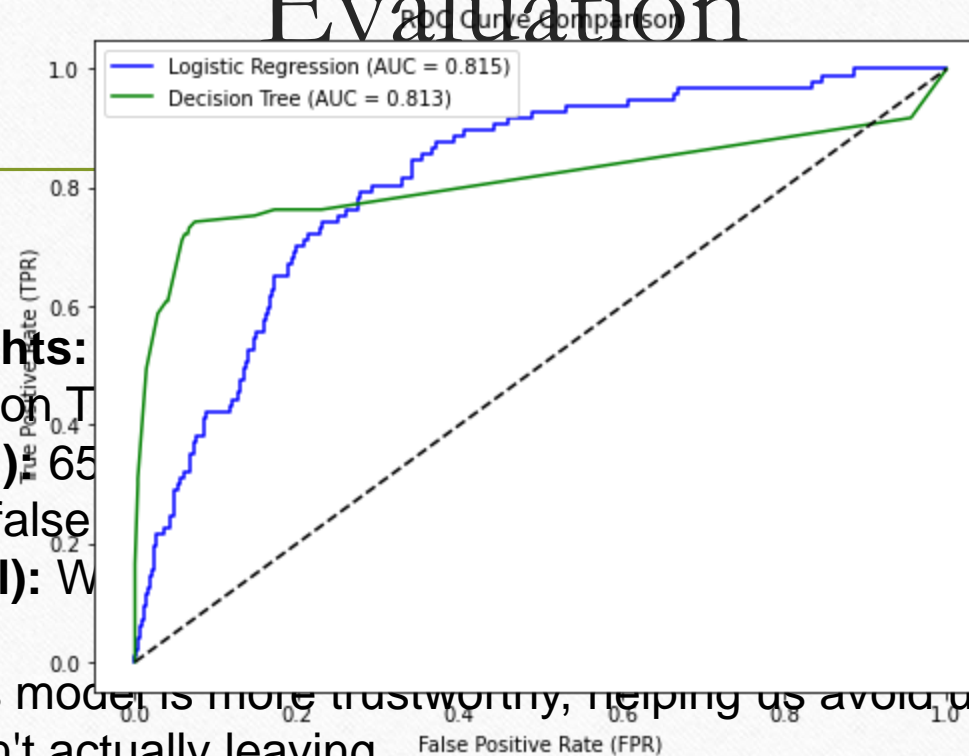
Modeling (Middle)

- **Our Approach:** We tested two primary models to ensure the best balance of accuracy and reliability:
- **Logistic Regression:** A foundational model for understanding basic probabilities.
- **Decision Tree:** A more sophisticated approach that identifies complex patterns in customer behavior.
- **Focus:** We prioritized models that don't just give a "Yes/No" but provide probability scores to help prioritize our outreach.

Visualizations



Evaluation



- Performance Highlights:**

- Accuracy:** Our Decision T

- Reliability (Precision):** 65% significantly reducing "false

- Effectiveness (Recall):** We leave.

- Business Value:** This model is more trustworthy, helping us avoid unnecessary marketing costs on customers who aren't actually leaving.

customer outcomes.

are actual churners,

ers who were planning to

unnecessary marketing costs

Recommendations (End)

- Targeted Retention:** Use the model's probability scores to offer promotions to the top 10% of at-risk customers.
- Service Quality:** Address the "Service Call" threshold; customers with high service call volumes should be automatically flagged for a "loyalty check-in."
- Plan Optimization:** Review international and data plan usage patterns to offer personalized plan upgrades that better fit customer behavior.

Next Steps

- Pilot Program:** Roll out the model to a single region to test the effectiveness of retention offers.
- Continuous Learning:** Update the model monthly with new customer data to capture changing trends.
- Integration:** Incorporate these predictive scores directly into the Customer Relationship Management (CRM) dashboard for our frontline staff.

Thank You & Questions

- Closing:** Data-driven retention is the key to SyriaTel's long-term growth.
- Contact:** <mailto:claire.njeri@student.moringaschool.com>
- Invite Questions:** "How can we best integrate these insights into your current workflow?"