

# CHURN ANALYSIS

Project 1

# BUSINESS OBJECTIVE


perform analysis of the customer base of an e-commerce site, determine the characteristics of the individuals who have stopped using the service (known as “customer churn”), and devise strategies to target similar individuals.

**Reduce customer churn by proactively contacting customers likely to churn**

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# CHURN RATE

**Churn Rate captures the number of people a business can retain at the end of a time period.**

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# WHY CHURN RATE ?

Retaining customers that are already acquired by other business is very critical for the growth of a business.

Churn rate should tell whether the current customers have left or stayed

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# WHERE IS CHURN RATE USED ?

**Churn Rate is often adopted by companies using a subscriber-based service model, especially in the telecommunication industry.**

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# WHAT WE NEED TO CALCULATE CHURN RATE ?


Customers at the beginning of usage interval

Customers at the end of the usage interval

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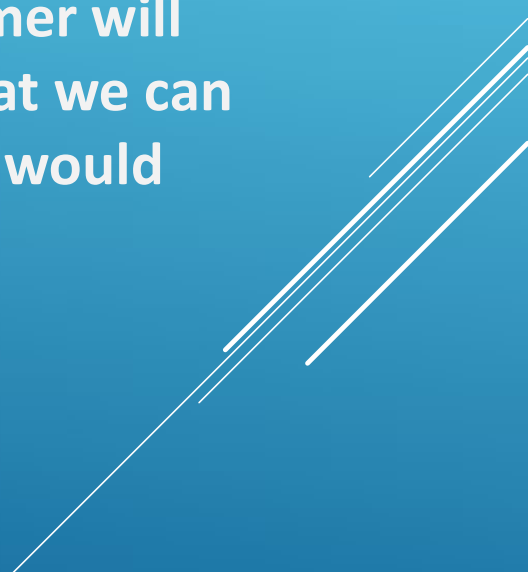
# CHURN ANALYSIS

**Churn analysis can help you determine the causes of client cancellations to develop a strategy to reduce them.**

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# CHURN PREDICTION

Churn prediction estimates the likelihood that a customer will leave based on previous behaviour and feedback so that we can choose the marketing strategy and business plans that would possibly retain existing customer.

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# METHODOLOGY

1. Data Import
  2. Data Overview
  3. Data Cleaning
  4. Exploratory analysis
  5. Variable distribution in Churn and non-Churn Category
  6. Create various visuals using Python Packages
  7. Variable Summary
  8. Correlation Matrix
  9. Data Pre-Processing for Model Building
  10. Model Building
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# SUBMISSION

- ▶ The project is spread over 2 weeks and is completed in 2 parts.
  - ▶ Provided code in HTML format and Jupyter notebook.
  - ▶ Code must be error free.
  - ▶ explain the code with commenting.
  - ▶ Presentation must have insight, recommendation and visualization.
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# SUBMISSION

- ▶ Submission will be done via Blackboard, and it will be group submission
- ▶ One file per group
- ▶ You need to submit provided files in .zip format
  1. Jupyter Notebook/lab file (.ipynb)
  2. Exported Jupyter notebook in html (.html)
  3. presentation (.pptx)