import pandas as pd
import numpy as np
import matplotlib.pyplot as plt
import seaborn as sns
import warnings
warnings.filterwarnings("ignore") # suppress warnings for readability

In [16]: # Import churn.csv
telco = pd.read_csv('../data/churn_data.csv')
telco

Out[16]:		Account_Length	Vmail_Message	Day_Mins	Eve_Mins	Night_Mins	Intl_Mins
	0	128	25	265.1	197.4	244.7	10.0
	1	107	26	161.6	195.5	254.4	13.7
	2	137	0	243.4	121.2	162.6	12.2
	3	84	0	299.4	61.9	196.9	6.6
	4	75	0	166.7	148.3	186.9	10.1
	•••				•••		
	3328	192	36	156.2	215.5	279.1	9.9
	3329	68	0	231.1	153.4	191.3	9.6
	3330	28	0	180.8	288.8	191.9	14.1
	3331	184	0	213.8	159.6	139.2	5.0
	3332	74	25	234.4	265.9	241.4	13.7

3333 rows × 21 columns

EDA

In [17]: telco.head()

Out[17]:		Account_Length	Vmail_Message	Day_Mins	Eve_Mins	Night_Mins	Intl_Mins	Cus
	0	128	25	265.1	197.4	244.7	10.0	
	1	107	26	161.6	195.5	254.4	13.7	
	2	137	0	243.4	121.2	162.6	12.2	
	3	84	0	299.4	61.9	196.9	6.6	
	4	75	0	166.7	148.3	186.9	10.1	

5 rows × 21 columns

In [18]: telco.info()

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

#	Column	Non-Null Count	Dtype
0	Account_Length	3333 non-null	int64
1	Vmail_Message	3333 non-null	int64
2	Day_Mins	3333 non-null	float64
3	Eve_Mins	3333 non-null	float64
4	Night_Mins	3333 non-null	float64
5	Intl_Mins	3333 non-null	float64
6	CustServ_Calls	3333 non-null	int64
7	Churn	3333 non-null	object
8	Intl_Plan	3333 non-null	object
9	Vmail_Plan	3333 non-null	object
10	Day_Calls	3333 non-null	int64
11	Day_Charge	3333 non-null	float64
12	Eve_Calls	3333 non-null	int64
13	Eve_Charge	3333 non-null	float64
14	Night_Calls	3333 non-null	int64
15	Night_Charge	3333 non-null	float64
16	<pre>Intl_Calls</pre>	3333 non-null	int64
17	Intl_Charge	3333 non-null	float64
18	State	3333 non-null	object
19	Area_Code	3333 non-null	int64
20	Phone	3333 non-null	object
dtype	es: float64(8),	int64(8), object	(5)

dtypes: float64(8), int64(8), object(5)

memory usage: 546.9+ KB

In [19]: telco.describe()

```
count
                   3333.000000
                                  3333.000000 3333.000000 3333.000000 3333.000000
                                                                                      33
                                                                          200.872037
          mean
                     101.064806
                                      8.099010
                                                 179.775098
                                                             200.980348
            std
                      39.822106
                                     13.688365
                                                 54.467389
                                                               50.713844
                                                                            50.573847
                                      0.000000
                                                                           23.200000
           min
                      1.000000
                                                   0.000000
                                                               0.000000
           25%
                      74.000000
                                      0.000000
                                                 143.700000
                                                              166.600000
                                                                           167.000000
           50%
                     101.000000
                                      0.000000
                                                 179.400000
                                                              201.400000
                                                                          201.200000
           75%
                     127.000000
                                     20.000000
                                                 216.400000
                                                             235.300000
                                                                          235.300000
                    243.000000
                                     51.000000
                                                 350.800000
                                                             363.700000
                                                                          395.000000
           max
In [20]: telco['Churn'].value counts()
Out[20]: Churn
                 2850
          no
          yes
                  483
          Name: count, dtype: int64
In [21]: # Group telco by 'Churn' and compute the mean
         telco.groupby(['Churn']).mean(numeric_only=True)
         # Adapt your code to compute the standard deviation
         telco.groupby(['Churn']).std(numeric_only=True)
Out[21]:
                 Account_Length Vmail_Message Day_Mins Eve_Mins Night_Mins Intl_Mins
         Churn
                       39.88235
                                      13.913125 50.181655 50.292175
                                                                      51.105032 2.784489
             no
                       39.46782
                                      11.860138 68.997792 51.728910
                                                                      47.132825
                                                                                2.793190
            yes
In [22]: # Count the number of churners and non-churners by State
         telco.groupby('State')['Churn'].value_counts()
         # Filter the data to show only California
         telco[telco['State'] == 'CA'].groupby('State')['Churn'].value_counts()
Out[22]: State Churn
                          25
          CA
                 no
                 yes
          Name: count, dtype: int64
In [23]: # Visualize the distribution of 'Intl_Mins'
         sns.histplot(telco['Intl Mins'])
         # Display the plot
         plt.show()
```

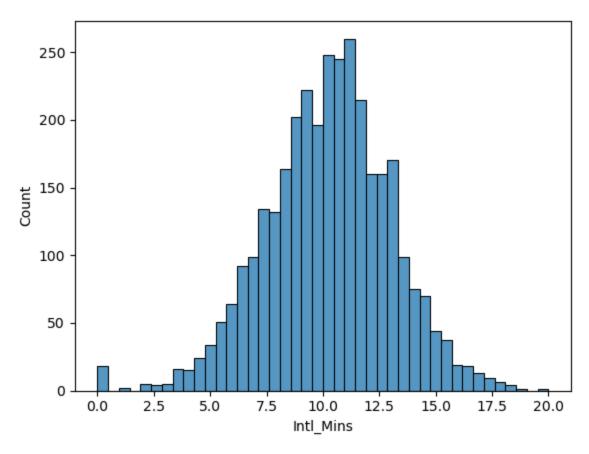
Day_Mins

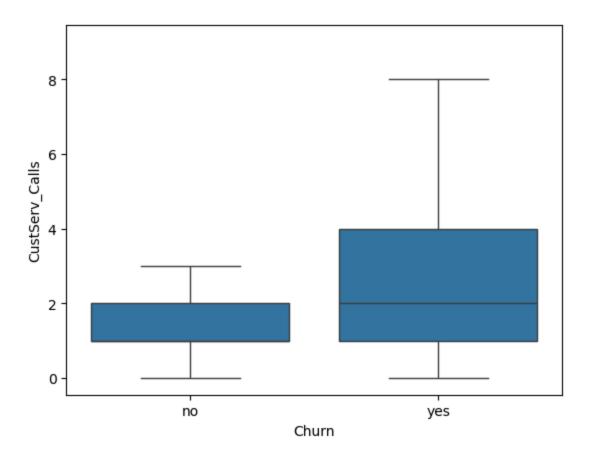
Eve_Mins

Night_Mins

Account_Length Vmail_Message

Out[19]:





Data Preprocessing

Encoding Binary Features

```
In [25]: pd.set_option('future.no_silent_downcasting', True)

# Replace 'no' with 0 and 'yes' with 1 in 'Vmail_Plan'
# telco['Vmail_Plan'] = telco['Vmail_Plan'].replace({'no': 0 , 'yes': 1})
telco['Vmail_Plan'] = telco['Vmail_Plan'].replace({'no': 0 , 'yes': 1}).infe

# Replace 'no' with 0 and 'yes' with 1 in 'Churn'
# telco['Churn'] = telco['Churn'].replace({'no': 0 , 'yes': 1})
telco['Churn'] = telco['Churn'].replace({'no': 0 , 'yes': 1}).infer_objects(
# Print the results to verify
print(telco['Vmail_Plan'].head())
print(telco['Churn'].head())
```

```
0  1
1  1
2  0
3  0
4  0
Name: Vmail_Plan, dtype: int64
0  0
1  0
2  0
3  0
4  0
Name: Churn, dtype: int64
```

Encoding Categorical Features using One-Hot Encoding

```
In [26]: telco_state = pd.get_dummies(telco, columns=['State'], drop_first=True)
    telco_state
```

Out[26]:		Account_Length	Vmail_Message	Day_Mins	Eve_Mins	Night_Mins	Intl_Mins
	0	128	25	265.1	197.4	244.7	10.0
	1	107	26	161.6	195.5	254.4	13.7
	2	137	0	243.4	121.2	162.6	12.2
	3	84	0	299.4	61.9	196.9	6.6
	4	75	0	166.7	148.3	186.9	10.1
	•••						
	3328	192	36	156.2	215.5	279.1	9.9
	3329	68	0	231.1	153.4	191.3	9.6
	3330	28	0	180.8	288.8	191.9	14.1
	3331	184	0	213.8	159.6	139.2	5.0
	3332	74	25	234.4	265.9	241.4	13.7

3333 rows × 70 columns

```
In [27]: from sklearn.preprocessing import LabelEncoder

# Encode categorical columns
telco['Intl_Plan'] = LabelEncoder().fit_transform(telco['Intl_Plan'])
```

Feature Scaling using Standardization

```
In [28]: # Import StandardScaler
from sklearn.preprocessing import StandardScaler

# Select only the numeric columns for scaling
numeric_cols = telco.select_dtypes(include=['float64', 'int64']).columns
```

```
# Scale telco
telco_scaled = StandardScaler().fit_transform(telco[numeric_cols])

# Add column names back for readability
telco_scaled_df = pd.DataFrame(telco_scaled, columns=numeric_cols)

# Print summary statistics
print(telco_scaled_df.describe())
```

```
Account_Length Vmail_Message
                                              Day Mins
                                                           Eve Mins \
                3.333000e+03 3.333000e+03 3.333000e+03 3.333000e+03
       count
               1.470971e-16 7.035077e-17 7.312216e-16 -6.821892e-17
       mean
               1.000150e+00 1.000150e+00 1.000150e+00 1.000150e+00
       std
       min
              -2.513172e+00 -5.917599e-01 -3.301096e+00 -3.963622e+00
             -6.797448e-01 -5.917599e-01 -6.624241e-01 -6.780300e-01
       25%
              -1.627644e-03 -5.917599e-01 -6.887677e-03 8.276141e-03
       50%
       75%
              6.513740e-01 8.695542e-01 6.725198e-01 6.768330e-01
              3.564766e+00 3.134591e+00 3.140422e+00 3.209066e+00
       max
               Night_Mins Intl_Mins CustServ_Calls Churn
                                                                       Intl_Pla
       n \
       count 3.333000e+03 3.333000e+03
                                          3.333000e+03 3.333000e+03 3.333000e+0
       3
       mean
             7.887813e-17 -3.336332e-16 8.527366e-18 5.542788e-17 -4.796643e-1
       7
       std
             1.000150e+00 1.000150e+00 1.000150e+00 1.000150e+0 1.000150e+0
       0
            -3.513648e+00 -3.667413e+00 -1.188218e+00 -4.116718e-01 -3.275805e-0
       min
       25%
             -6.698545e-01 -6.223690e-01 -4.279320e-01 -4.116718e-01 -3.275805e-0
       1
             6.485803e-03 2.246393e-02 -4.279320e-01 -4.116718e-01 -3.275805e-0
       50%
       1
              6.808485e-01 6.672969e-01 3.323545e-01 -4.116718e-01 -3.275805e-0
       75%
       1
              3.839081e+00 3.497397e+00
                                         5.654360e+00 2.429119e+00 3.052685e+0
       max
       0
               Vmail_Plan Day_Calls
                                         Day_Charge Eve_Calls Eve_Charge
       \
       count 3.333000e+03 3.333000e+03 3.333000e+03 3.333000e+03
       mean -6.608708e-17 -1.934646e-16 -2.835349e-16 3.288365e-16 1.385697e-16
             1.000150e+00 1.000150e+00 1.000150e+00 1.000150e+00 1.000150e+00
       std
       min
           -6.183963e-01 -5.005247e+00 -3.301162e+00 -5.025911e+00 -3.963679e+00
       25% -6.183963e-01 -6.695701e-01 -6.623760e-01 -6.583610e-01 -6.783123e-01
             -6.183963e-01 2.812491e-02 -6.730063e-03 -5.738630e-03 8.459274e-03
       50%
           1.617086e+00 6.759846e-01 6.726790e-01 6.970854e-01 6.766695e-01
       75%
             1.617086e+00 3.217588e+00 3.140803e+00 3.508382e+00 3.207980e+00
       max
              Night Calls Night Charge Intl Calls Intl Charge
                                                                     Area Code
       count 3.333000e+03 3.333000e+03 3.333000e+03 3.333000e+03 3.333000e+03
       mean -4.903235e-17 -4.370275e-17 -8.527366e-18 2.728757e-16 4.221046e-16
              1.000150e+00 1.000150e+00 1.000150e+00 1.000150e+00 1.000150e+00
       std
       min -3.429870e+00 -3.515366e+00 -1.820289e+00 -3.668210e+00 -6.888343e-01
       25\% -6.699340e-01 -6.676792e-01 -6.011951e-01 -6.164341e-01 -6.888343e-01
            -5.505089e-03 4.691242e-03 -1.948306e-01 2.045823e-02 -5.236033e-01
       50%
       75%
            6.589239e-01 6.814562e-01 6.178983e-01 6.706192e-01 1.718817e+00
             3.827739e+00 3.836763e+00 6.307001e+00 3.496829e+00 1.718817e+00
       max
In [29]: # Select only the "Intl Calls" and "Night Mins" columns
        selected_cols = ['Intl_Calls', 'Night_Mins']
        telco_selected_scaled_df = telco_scaled_df[selected_cols]
        telco selected scaled df.describe()
```

```
Out[29]:
                    Intl_Calls
                                 Night_Mins
         count 3.333000e+03
                               3.333000e+03
          mean
                -8.527366e-18
                                7.887813e-17
           std
                1.000150e+00
                               1.000150e+00
           min -1.820289e+00 -3.513648e+00
          25%
                 -6.011951e-01 -6.698545e-01
                -1.948306e-01 6.485803e-03
          50%
          75%
                 6.178983e-01 6.808485e-01
                 6.307001e+00 3.839081e+00
           max
```

Feature Selection

UUL[32]:	0	u	t		3	2]	:
----------	---	---	---	--	---	---	---	---

	Account_Length	Vmail_Message	Day_Mins	Eve_Mins	Night_Mins
Account_Length	1.000000	-0.004628	0.006216	-0.006757	-0.008955
Vmail_Message	-0.004628	1.000000	0.000778	0.017562	0.007681
Day_Mins	0.006216	0.000778	1.000000	0.007043	0.004323
Eve_Mins	-0.006757	0.017562	0.007043	1.000000	-0.012584
Night_Mins	-0.008955	0.007681	0.004323	-0.012584	1.000000
Intl_Mins	0.009514	0.002856	-0.010155	-0.011035	-0.015207
CustServ_Calls	-0.003796	-0.013263	-0.013423	-0.012985	-0.009288
Churn	0.016541	-0.089728	0.205151	0.092796	0.035493
Intl_Plan	0.024735	0.008745	0.049396	0.019100	-0.028905
Vmail_Plan	0.002918	0.956927	-0.001684	0.021545	0.006079
Day_Calls	0.038470	-0.009548	0.006750	-0.021451	0.022938
Day_Charge	0.006214	0.000776	1.000000	0.007050	0.004324
Eve_Calls	0.019260	-0.005864	0.015769	-0.011430	-0.002093
Eve_Charge	-0.006745	0.017578	0.007029	1.000000	-0.012592
Night_Calls	-0.013176	0.007123	0.022972	0.007586	0.011204
Night_Charge	-0.008960	0.007663	0.004300	-0.012593	0.999999
Intl_Calls	0.020661	0.013957	0.008033	0.002541	-0.012353
Intl_Charge	0.009546	0.002884	-0.010092	-0.011067	-0.015180

```
In [33]: # Compute the correlation matrix
    corr_matrix = numeric_telco.corr().abs()

# Select the upper triangle of the correlation matrix
    upper = corr_matrix.where(np.triu(np.ones(corr_matrix.shape), k=1).astype(bc)
    upper
```

Out[33]:		Account_Length	Vmail Message	Day_Mins	Eve_Mins	Night_Mins	
	Account_Length	NaN	0.004628	0.006216	0.006757	0.008955	
	Vmail_Message	NaN	NaN	0.000778	0.017562	0.007681	
	Day_Mins	NaN	NaN	NaN	0.007043	0.004323	
	Eve_Mins	NaN	NaN	NaN	NaN	0.012584	
	Night_Mins	NaN	NaN	NaN	NaN	NaN	
	Intl_Mins	NaN	NaN	NaN	NaN	NaN	
	CustServ_Calls	NaN	NaN	NaN	NaN	NaN	
	Churn	NaN	NaN	NaN	NaN	NaN	
	Intl_Plan	NaN	NaN	NaN	NaN	NaN	
	Vmail_Plan	NaN	NaN	NaN	NaN	NaN	
	Day_Calls	NaN	NaN	NaN	NaN	NaN	
	Day_Charge	NaN	NaN	NaN	NaN	NaN	
	Eve_Calls	NaN	NaN	NaN	NaN	NaN	
	Eve_Charge	NaN	NaN	NaN	NaN	NaN	
	Night_Calls	NaN	NaN	NaN	NaN	NaN	
	Night_Charge	NaN	NaN	NaN	NaN	NaN	
	Intl_Calls	NaN	NaN	NaN	NaN	NaN	
	Intl_Charge	NaN	NaN	NaN	NaN	NaN	
In [34]:	<pre># Find features with correlation greater than a specified threshold (e.g., @ threshold = 0.8 to_drop = [column for column in upper.columns if any(upper[column] > threshold to_drop</pre>						
Out[34]:	['Vmail_Plan',	'Day_Charge',	'Eve_Charge', '	Night_Char	ge', 'Int	l_Charge']	
In [35]:	· ·	ighly correlated o_filtered = num		o(columns=	to_drop)		
		e filtered dataf o_filtered.head(
In [36]:	# Create the ne telco['Avg_Nigh	ew feature nt_Calls'] = tel	co['Night_Mins	'] / telco	['Night_Ca	alls']	

Print the first five rows of 'Avg_Night_Calls'
print(telco['Avg_Night_Calls'].head())

```
0    2.689011
1    2.469903
2    1.563462
3    2.212360
4    1.544628
Name: Avg_Night_Calls, dtype: float64
```

Churn Prediction

Model Selection

- Logistic Regression: Good baseline, interpretable.
- Random Forests: Captures complex relationships.
- Support Vector Machines (SVMs): Effective with high-dimensional data.

```
In [37]: # Define the features
         features = ['Account_Length', 'Vmail_Message', 'Day_Mins', 'Eve_Mins', 'Night']
         # Define a new customer for prediction
         new_customer = pd.DataFrame({
                  'Account_Length': [100],
                  'Vmail_Message': [20],
                  'Day_Mins': [200],
                  'Eve_Mins': [150],
                  'Night_Mins': [180],
                  'Intl_Mins': [10],
                  'CustServ_Calls': [2],
                  'Day_Calls': [100],
                  'Eve_Calls': [100],
                  'Night_Calls': [100],
                  'Intl_Calls': [5],
                  # 'Area_Code': [415]
         })
```

```
In [38]: # Import LogisticRegression
    from sklearn.linear_model import LogisticRegression

# Instantiate the classifier
    clf = LogisticRegression()

# Fit the classifier
    clf.fit(telco[features], telco['Churn'])

# Predict the label of new_customer
    print(clf.predict(new_customer))
```

[0]

```
In [39]: # Import DecisionTreeClassifier
    from sklearn.tree import DecisionTreeClassifier

# Instantiate the classifier
    clf = DecisionTreeClassifier()
```

```
# Fit the classifier
clf.fit(telco[features], telco['Churn'])
# Predict the label of new customer
print(clf.predict(new_customer))
[0]
```

Model Evaluation

```
In [40]: # Import train test split
         from sklearn.model_selection import train_test_split
         # Create feature variable
         X = telco.drop('Churn', axis=1)
         # Create target variable
         v = telco['Churn']
         # Create training and testing sets
         X_train, X_test, y_train, y_test = train_test_split(X, y, test_size=0.3)
In [41]: print(X_train.shape)
         print(X_test.shape)
         print(len(X_test))
        (2333, 18)
        (1000, 18)
        1000
In [42]: from sklearn.preprocessing import LabelEncoder
         # # Encode 'Intl_Plan' column
         # le = LabelEncoder()
         # X_train['Intl_Plan'] = le.fit_transform(X_train['Intl_Plan'])
         # X_test['Intl_Plan'] = le.transform(X_test['Intl_Plan'])
         # Import RandomForestClassifier
         from sklearn.ensemble import RandomForestClassifier
         # Instantiate the classifier
         clf = RandomForestClassifier()
         # Fit to the training data
         clf.fit(X_train, y_train)
         # Compute accuracy
         print(clf.score(X_test, y_test))
        0.954
In [43]: # Import confusion_matrix
         from sklearn.metrics import confusion_matrix
```

Make predictions on the test set

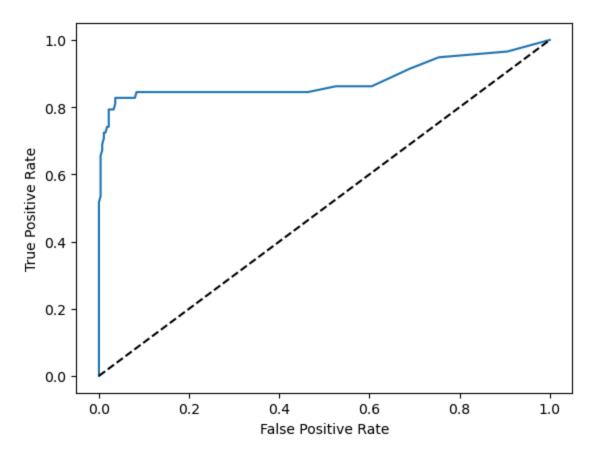
y_pred = clf.predict(X_test)

```
# Print the confusion matrix
         print(confusion matrix(y test, y pred))
        [[848
                71
         [ 39 106]]
In [44]: # Create feature variable
         X = telco.drop('Churn', axis=1)
         # Create target variable
         y = telco['Churn']
In [45]: # Import train_test_split
         from sklearn.model_selection import train_test_split
         from sklearn.preprocessing import LabelEncoder
         # Create training and testing sets
         X_train, X_test, y_train, y_test = train_test_split(X, y, test_size=0.2)
         # Import RandomForestClassifier
         from sklearn.ensemble import RandomForestClassifier
         # Instantiate the classifier
         clf = RandomForestClassifier()
         # Fit to the training data
         clf.fit(X_train, y_train)
         # Predict the labels of the test set
         y_pred = clf.predict(X_test)
         # Import confusion matrix
         from sklearn.metrics import confusion_matrix
         # Print confusion matrix
         print(confusion_matrix(y_test, y_pred))
        [[572
                51
         [ 21 69]]
In [46]: # Import train test split
         from sklearn.model_selection import train_test_split
         # Create training and testing sets
         X_train, X_test, y_train, y_test = train_test_split(X, y, test_size=0.1)
         # Import RandomForestClassifier
         from sklearn.ensemble import RandomForestClassifier
         # Instantiate the classifier
         clf = RandomForestClassifier()
         # Fit to the training data
         clf.fit(X_train, y_train)
```

```
# Predict the labels of the test set
         y_pred = clf.predict(X_test)
In [47]: from sklearn.metrics import precision_score
         from sklearn.metrics import recall_score
         # Print the precision
         print(precision_score(y_test, y_pred))
         # Print the recall
         print(recall_score(y_test, y_pred))
        0.9512195121951219
        0.6724137931034483
In [48]: # Generate the probabilities
         y_pred_prob = clf.predict_proba(X_test)[:, 1]
         # Import roc_curve
         from sklearn.metrics import roc_curve
         # Calculate the roc metrics
         fpr, tpr, thresholds = roc_curve(y_test, y_pred_prob)
         # Plot the ROC curve
         plt.plot(fpr, tpr)
```

Add labels and diagonal line
plt.xlabel("False Positive Rate")
plt.ylabel("True Positive Rate")
plt.plot([0, 1], [0, 1], "k--")

plt.show()



```
In [49]: # Import roc_auc_score
from sklearn.metrics import roc_auc_score

# Print the AUC
print(roc_auc_score(y_test, y_pred_prob))
```

0.8809345327336333

```
In [50]: # Instantiate the classifier
clf = RandomForestClassifier()

# Fit to the training data
clf.fit(X_train, y_train)

# Predict the labels of the test set
y_pred = clf.predict(X_test)

# Import f1_score
from sklearn.metrics import f1_score

# Print the F1 score
print(f1_score(y_test, y_pred))
```

0.7628865979381443

Model Tuning

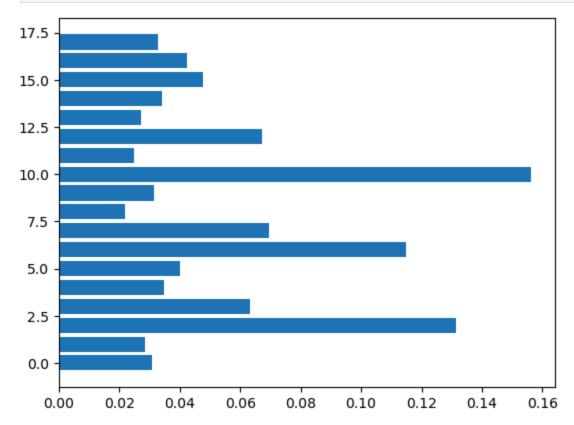
```
In [51]: # Import GridSearchCV
from sklearn.model_selection import GridSearchCV
```

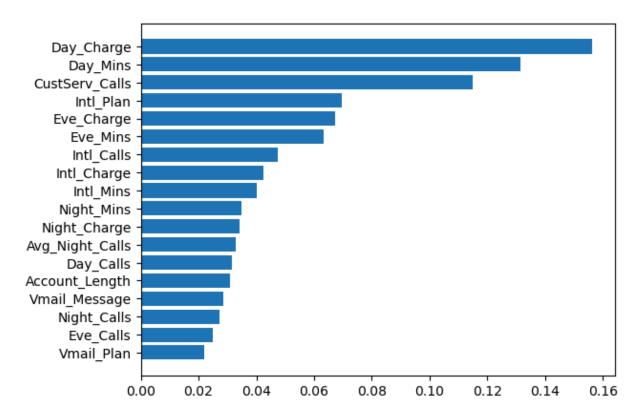
```
# Create the hyperparameter grid
         param grid = {'max features': ['auto', 'sgrt', 'log2']}
         # Call GridSearchCV
         grid_search = GridSearchCV(clf, param_grid, cv=3)
         # Fit the model
         grid search.fit(X, y)
         # Print the optimal parameters
         print(grid_search.best_params_)
        {'max_features': 'sqrt'}
In [52]: # Import GridSearchCV
         from sklearn.model_selection import GridSearchCV
         # Create the hyperparameter grid
         param_grid = {"max_depth": [3, None],
                       "max_features": [1, 3, 10],
                       "bootstrap": [True, False],
                       "criterion": ["gini", "entropy"]}
         # Call GridSearchCV
         grid_search = GridSearchCV(clf, param_grid, cv=3)
         # Fit the model
         grid_search.fit(X, y)
         # Print the best hyperparameters
         print(grid search.best params )
        {'bootstrap': True, 'criterion': 'entropy', 'max_depth': None, 'max_feature
        s': 10}
In [53]: # Import RandomizedSearchCV
         from sklearn.model selection import RandomizedSearchCV
         from scipy.stats import randint
         # Create the hyperparameter grid
         param_dist = {"max_depth": [3, None],
                       "max features": randint(1, 11),
                       "bootstrap": [True, False],
                       "criterion": ["gini", "entropy"]}
         # Call RandomizedSearchCV
         random_search = RandomizedSearchCV(clf, param_dist, cv=3)
         # Fit the model
         random_search.fit(X, y)
         # Print best parameters
         print(random_search.best_params_)
        {'bootstrap': False, 'criterion': 'entropy', 'max_depth': None, 'max_feature
        s': 6}
```

Feature Importance

```
In [54]: # Calculate feature importances
importances = clf.feature_importances_

# Create plot
plt.barh(range(X.shape[1]), importances)
plt.show()
```





```
In [56]: # Import necessary modules
    from sklearn.model_selection import train_test_split
    from sklearn.ensemble import RandomForestClassifier

# Create training and testing sets
X_train, X_test, y_train, y_test = train_test_split(X, y, test_size=0.3)

# Instantiate the classifier
    clf = RandomForestClassifier()

# Fit to the data
    clf.fit(X_train, y_train)

# Print the accuracy
    print(clf.score(X_test, y_test))
```

0.949

```
In [57]: # Import f1_score
    from sklearn.metrics import f1_score

# Instantiate the classifier
    clf = RandomForestClassifier()

# Fit to the data
    clf.fit(X_train, y_train)

# Predict the labels of the test set
    y_pred = clf.predict(X_test)

# Print the F1 score
    print(f1_score(y_test, y_pred))
```