

**Spline-Rule Ensemble Classifiers with Structured Sparsity Regularization for  
Interpretable Customer Churn Modeling:  
Supplementary Materials (Appendices B-E)**

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## Appendix B: Optimized classifier hyperparameters and candidate values

Classifier	# models per algorithm <sup>1</sup>	Hyperparameter	Candidate values <sup>2</sup>
Decision tree <sup>3</sup> (DT)	36	Confidence threshold for pruning Min. leaf size	0.01, 0.15, ..., 0.30 $n*[0.01, 0.025, 0.05, 0.1, 0.25, 0.5]$
Regularized logistic regression (LR)	20	Elastic net mixing parameter $\alpha_{\text{elastic-net}}$	$[0, 0.05, \dots, 0.95, 1]$
Random forests (RF)	6	No. of CART trees No. of randomly sampled variables <sup>5</sup>	100 $\sqrt{v} * [0.1, 0.25, 0.5, 1, 2, 4]$
Generalized additive model (GAM) <sup>4</sup>	1		
Multivariate adaptive regression splines (MARS)	10	Maximum degree of interaction	$[1, 2, \dots, 9, 10]$
Rule ensemble (RE)	20	No. of CART trees Maximum tree depth Penalty parameter $\lambda$	100 10 20 values, dynamically determined based on data characteristics
Spline-rule ensemble (SRE) <sup>4</sup>	20	No. of CART trees Maximum tree depth Penalty parameter $\lambda$	100 10 20 values, dynamically determined based on data characteristics
Spline-rule ensemble with sparse group lasso regularization (SRE-SGL) <sup>4</sup>	20	No. of CART trees Maximum tree depth Penalty parameter $\lambda$  Sparse group lasso mixing parameter $\alpha_{\text{sgl}}$	100 10 20 values, dynamically determined based on data characteristics $[0, 0.05, \dots, 0.95, 1]$
<sup>1</sup> A classifier is trained for every unique combination of hyperparameter values. For example, DT offers two meta-parameters with both 6 candidate values, so we create $6*6=36$ classification models. <sup>2</sup> The quantity $n$ denotes the number of observations and $v$ denote the number of independent variables in the data set <sup>3</sup> The number of randomly sampled variables is always rounded to the next integer <sup>4</sup> Cubic regression splines depend on smoothness parameter $\rho$ that is optimized directly during spline estimation using the GCV criterion [56,57]			

**Table B.1: Optimized classifier hyperparameters and candidate values**

## Appendix C: Empirical Evaluation of Spline Type Choice on SRE and SRE-SGL Performance

The choice for penalized cubic regression splines in SRE-SGL is inspired on the study in which SRE was first presented (De Bock, 2017). In this online appendix, we further investigate the adoption of alternative spline types as well as shrinkage-enforcing spline variants. A priori there are arguments both in favor of, and against this modification in search of increased model performance. On the one hand: SRE (and SRE-SGL) apply shrinkage in their final step: the application of a regularized regression to the pool of candidate terms. This regularization ensures model/term selection optimizing loss over the *full* set of candidate terms. Preliminary shrinkage, pursued at the time of spline estimation, effectively reduces the set of candidate terms, limiting the playing field of subsequent regularization. On the other hand, it is known that simultaneous shrinkage and curvature penalization could lead to better performance in GAMs.

Specifically, we conduct an experimental comparison of SRE and SRE-SGL implemented with penalized cubic regression splines (identified henceforth using the suffix *cr*) with four variations of SRE and SRE-SGL implemented with the following spline types:

- Penalized cubic regression splines with shrinkage (identified using the suffix *cs*)
- Penalized thin plate regression splines (identified using the suffix *tp*)
- P-splines (identified using the suffix *ps*)
- Penalized thin plate regression splines with shrinkage (identified using the suffix *ts*)

Experimental conditions and data sets are fully described in the main manuscript. Results of this additional benchmarking experiment are presented in the Tables C1-C4 below. Average ranks and adjusted p-values are reported in Tables C5-C6. Using the same statistical analysis as fully disclosed in the benchmarking experiment in the paper, we could not detect any significant differences between the penalized cubic regression splines (*cr*) on the one hand and the variations adopting alternative spline types on the other.

<i>Data set</i>	<i>SRE - cr</i>	<i>SRE - cs</i>	<i>SRE - ps</i>	<i>SRE - ts</i>	<i>SRE - tp</i>
<i>Ds1</i>	0.885 (0.003)	0.879 (0.002)	0.884 (0.002)	0.881 (0.003)	0.882 (0.003)
<i>Ds2</i>	0.862 (0.001)	0.861 (0.001)	0.859 (0.001)	0.854 (0.001)	0.855 (0.001)
<i>Ds3</i>	0.653 (0.008)	0.652 (0.007)	0.648 (0.005)	0.660 (0.006)	0.660 (0.006)
<i>Ds4</i>	0.843 (0.002)	0.842 (0.001)	0.844 (0.002)	0.839 (0.001)	0.840 (0.002)
<i>Ds5</i>	0.791 (0.002)	0.792 (0.002)	0.788 (0.001)	0.795 (0.001)	0.792 (0.001)
<i>Ds6</i>	0.789 (0.001)	0.781 (0.002)	0.789 (0.002)	0.785 (0.002)	0.784 (0.002)
<i>Ds7</i>	0.716 (0.005)	0.715 (0.004)	0.720 (0.005)	0.714 (0.005)	0.714 (0.005)
<i>Ds8</i>	0.831 (0.003)	0.829 (0.003)	0.821 (0.002)	0.831 (0.002)	0.830 (0.002)
<i>Ds9</i>	0.626 (0.005)	0.628 (0.004)	0.621 (0.005)	0.611 (0.004)	0.612 (0.004)
<i>Ds10</i>	0.620 (0.004)	0.618 (0.005)	0.621 (0.004)	0.609 (0.004)	0.608 (0.004)
<i>Ds11</i>	0.725 (0.014)	0.722 (0.012)	0.730 (0.013)	0.721 (0.012)	0.722 (0.011)
<i>Ds12</i>	0.816 (0.002)	0.817 (0.002)	0.814 (0.003)	0.820 (0.003)	0.819 (0.003)
<i>Ds13</i>	0.863 (0.004)	0.864 (0.003)	0.859 (0.004)	0.862 (0.003)	0.862 (0.003)
<i>Ds14</i>	0.756 (0.012)	0.754 (0.011)	0.753 (0.012)	0.758 (0.012)	0.758 (0.012)

**Table C.1: Average AUC - results for SRE variants**

<i>Data set</i>	<i>SRE - cr</i>	<i>SRE - cs</i>	<i>SRE - ps</i>	<i>SRE - ts</i>	<i>SRE - tp</i>
<i>Ds1</i>	5.515 (0.249)	5.560 (0.242)	5.305 (0.210)	4.988 (0.193)	5.002 (0.205)
<i>Ds2</i>	5.177 (0.047)	5.050 (0.052)	5.258 (0.055)	5.351 (0.044)	5.005 (0.046)
<i>Ds3</i>	2.053 (0.153)	2.005 (0.150)	2.152 (0.168)	2.105 (0.161)	2.053 (0.158)
<i>Ds4</i>	4.407 (0.037)	4.102 (0.040)	4.360 (0.045)	4.485 (0.040)	4.522 (0.039)
<i>Ds5</i>	3.701 (0.072)	3.801 (0.065)	3.652 (0.080)	3.789 (0.082)	3.659 (0.078)
<i>Ds6</i>	3.593 (0.063)	3.410 (0.065)	3.337 (0.052)	3.466 (0.063)	3.687 (0.064)
<i>Ds7</i>	2.333 (0.285)	2.315 (0.287)	2.250 (0.197)	2.346 (0.211)	2.346 (0.208)
<i>Ds8</i>	4.564 (0.122)	4.488 (0.110)	4.378 (0.140)	4.322 (0.122)	4.488 (0.118)
<i>Ds9</i>	1.585 (0.027)	1.655 (0.030)	1.629 (0.034)	1.499 (0.041)	1.629 (0.044)
<i>Ds10</i>	1.468 (0.616)	1.501 (0.430)	1.444 (0.510)	1.318 (0.055)	1.408 (0.620)
<i>Ds11</i>	3.322 (0.185)	3.288 (0.170)	3.322 (0.162)	3.488 (0.165)	3.440 (0.172)
<i>Ds12</i>	2.782 (0.058)	2.882 (0.078)	2.533 (0.066)	2.436 (0.081)	2.533 (0.077)
<i>Ds13</i>	5.246 (0.077)	5.273 (0.095)	5.336 (0.080)	5.011 (0.073)	5.098 (0.076)
<i>Ds14</i>	2.072 (0.430)	2.052 (0.377)	2.158 (0.412)	2.358 (0.442)	2.255 (0.444)

**Table C.2: Average TDL - results for SRE variants**

<i>Data set</i>	<i>SRE - cr</i>	<i>SRE - cs</i>	<i>SRE - ps</i>	<i>SRE - ts</i>	<i>SRE - tp</i>
<i>Ds1</i>	0.883 (0.003)	0.877 (0.003)	0.884 (0.002)	0.882 (0.003)	0.883 (0.003)
<i>Ds2</i>	0.862 (0.001)	0.862 (0.002)	0.858 (0.002)	0.863 (0.001)	0.862 (0.001)
<i>Ds3</i>	0.656 (0.006)	0.654 (0.004)	0.648 (0.005)	0.661 (0.004)	0.658 (0.005)
<i>Ds4</i>	0.843 (0.002)	0.843 (0.003)	0.846 (0.003)	0.842 (0.002)	0.842 (0.002)
<i>Ds5</i>	0.790 (0.002)	0.792 (0.002)	0.789 (0.001)	0.794 (0.001)	0.793 (0.002)
<i>Ds6</i>	0.789 (0.001)	0.828 (0.002)	0.822 (0.001)	0.832 (0.001)	0.831 (0.001)
<i>Ds7</i>	0.711 (0.006)	0.710 (0.004)	0.715 (0.005)	0.709 (0.004)	0.711 (0.004)
<i>Ds8</i>	0.830 (0.004)	0.785 (0.003)	0.787 (0.004)	0.785 (0.004)	0.784 (0.003)
<i>Ds9</i>	0.625 (0.004)	0.624 (0.002)	0.623 (0.003)	0.619 (0.003)	0.619 (0.003)
<i>Ds10</i>	0.623 (0.004)	0.628 (0.005)	0.620 (0.004)	0.619 (0.005)	0.619 (0.005)
<i>Ds11</i>	0.728 (0.017)	0.729 (0.015)	0.729 (0.012)	0.724 (0.013)	0.724 (0.013)
<i>Ds12</i>	0.815 (0.002)	0.816 (0.002)	0.813 (0.001)	0.814 (0.002)	0.814 (0.002)
<i>Ds13</i>	0.863 (0.006)	0.864 (0.004)	0.858 (0.005)	0.862 (0.004)	0.863 (0.004)
<i>Ds14</i>	0.761 (0.010)	0.755 (0.009)	0.758 (0.010)	0.759 (0.009)	0.759 (0.009)

**Table C.3: Average AUC results for SRE-SGL variants**

<i>Data set</i>	<i>SRE - cr</i>	<i>SRE - cs</i>	<i>SRE - ps</i>	<i>SRE - ts</i>	<i>SRE - tp</i>
<i>Ds1</i>	5.487 (0.272)	5.268 (0.252)	5.551 (0.271)	5.502 (0.211)	5.218 (0.252)
<i>Ds2</i>	5.149 (0.049)	5.306 (0.051)	5.149 (0.055)	5.009 (0.049)	5.015 (0.044)
<i>Ds3</i>	2.097 (0.127)	2.213 (0.123)	2.255 (0.114)	2.117 (0.114)	2.005 (0.127)
<i>Ds4</i>	4.404 (0.038)	4.205 (0.042)	4.008 (0.036)	4.265 (0.042)	4.489 (0.041)
<i>Ds5</i>	3.705 (0.085)	3.591 (0.088)	3.408 (0.085)	3.520 (0.093)	3.782 (0.085)
<i>Ds6</i>	3.568 (0.067)	4.655 (0.064)	4.441 (0.064)	4.707 (0.062)	4.655 (0.061)
<i>Ds7</i>	2.347 (0.285)	2.456 (0.279)	2.200 (0.238)	2.551 (0.240)	2.504 (0.211)
<i>Ds8</i>	4.560 (0.114)	3.780 (0.113)	3.588 (0.129)	3.307 (0.114)	3.442 (0.097)
<i>Ds9</i>	1.587 (0.027)	1.506 (0.026)	1.503 (0.025)	1.400 (0.028)	1.355 (0.028)
<i>Ds10</i>	1.628 (0.283)	1.488 (0.220)	1.422 (0.275)	1.467 (0.244)	1.722 (0.220)
<i>Ds11</i>	3.537 (0.246)	3.442 (0.236)	3.242 (0.226)	3.688 (0.244)	3.255 (0.228)
<i>Ds12</i>	2.777 (0.059)	2.573 (0.068)	2.805 (0.060)	2.892 (0.061)	2.777 (0.059)
<i>Ds13</i>	5.250 (0.091)	5.407 (0.082)	5.428 (0.086)	5.351 (0.085)	5.407 (0.088)
<i>Ds14</i>	2.231 (0.090)	2.123 (0.091)	2.105 (0.094)	2.057 (0.90)	2.289 (0.091)

**Table C.4: Average TDL results for SRE-SGL variants**

<b>Algorithm role</b>	<b>Algorithm</b>	<b>Metric</b>	
		<b>AUC</b>	<b>TDL</b>
<b><i>Control</i></b>	SRE - cr	<b>2.214</b>	<b>2.786</b>
<b><i>Benchmarks</i></b>	SRE - cs	3.143 (0.292)	2.964 (0.999)
	SRE - ps	3.107 (0.292)	3.250 (0.999)
	SRE - ts	3.250 (0.292)	3.107 (0.999)
	SRE - tp	3.286 (0.292)	2.893 (0.999)

<sup>1</sup> Lower average ranks indicate better performance. The best performing algorithm is indicated in bold.  
The adjusted p-value for Holm post-hoc test is shown between brackets.

**Table C.5: Average SRE variations ranks across data sets for different performance measures and significance test results**

<b>Algorithm role</b>	<b>Algorithm</b>	<b>Metric</b>	
		<b>AUC</b>	<b>TDL</b>
<b><i>Control</i></b>	SRE-SGL - cr	<b>2.357</b>	<b>2.714</b>
<b><i>Benchmarks</i></b>	SRE-SGL - cs	2.893 (0.427)	2.857 (0.999)
	SRE-SGL - ps	3.321 (0.427)	3.393 (0.999)
	SRE-SGL - ts	3.231 (0.427)	3.071 (0.999)
	SRE-SGL - tp	3.250 (0.427)	2.964 (0.999)

<sup>1</sup> Lower average ranks indicate better performance. The best performing algorithm is indicated in bold.  
The adjusted p-value for Holm post-hoc test is shown between brackets.

**Table C.6: Average SRE-SGL variations ranks across data sets for different performance measures and significance test results**

## Appendix D: Detailed results of the benchmarking experiment

Data set	Decision tree (DT)	Regularized logistic regression (LR)	Generalized additive model (GAM)	Multivariate additive regression splines (MARS)	Random forest (RF)	Rule ensemble (RE)	Spline-rule ensemble (SRE)	Spline-rule ensemble with SGL (SRE-SGL)
<i>Ds1</i>	0.861 (0.007)	0.877 (0.002)	0.875 (0.002)	0.880 (0.002)	0.875 (0.002)	0.880 (0.005)	<u>0.885 (0.003)</u>	0.883 (0.003)
<i>Ds2</i>	0.843 (0.007)	0.859 (0.002)	0.855 (0.002)	0.859 (0.002)	0.845 (0.002)	0.861 (0.002)	0.862 (0.001)	<u>0.862 (0.001)</u>
<i>Ds3</i>	0.634 (0.015)	0.648 (0.010)	0.643 (0.008)	0.629 (0.011)	0.639 (0.009)	0.652 (0.008)	0.653 (0.008)	<u>0.656 (0.006)</u>
<i>Ds4</i>	0.816 (0.005)	0.839 (0.001)	0.835 (0.001)	0.835 (0.002)	0.837 (0.001)	0.840 (0.002)	0.843 (0.002)	<u>0.843 (0.002)</u>
<i>Ds5</i>	0.768 (0.006)	0.781 (0.002)	0.782 (0.002)	0.790 (0.002)	<u>0.792 (0.002)</u>	0.786 (0.002)	0.791 (0.002)	0.790 (0.002)
<i>Ds6</i>	0.766 (0.015)	0.779 (0.004)	0.780 (0.003)	0.786 (0.003)	0.789 (0.003)	0.787 (0.001)	0.789 (0.001)	<u>0.789 (0.001)</u>
<i>Ds7</i>	0.734 (0.013)	0.686 (0.004)	0.703 (0.005)	0.762 (0.008)	<u>0.780 (0.004)</u>	0.708 (0.001)	0.716 (0.005)	0.711 (0.006)
<i>Ds8</i>	0.804 (0.007)	0.811 (0.004)	0.828 (0.003)	0.822 (0.004)	<u>0.845 (0.003)</u>	0.826 (0.005)	0.831 (0.003)	0.830 (0.004)
<i>Ds9</i>	0.620 (0.006)	0.593 (0.004)	0.616 (0.003)	0.624 (0.004)	<u>0.634 (0.003)</u>	0.614 (0.004)	0.626 (0.005)	0.625 (0.004)
<i>Ds10</i>	0.601 (0.008)	0.615 (0.006)	0.619 (0.005)	0.614 (0.008)	0.614 (0.005)	0.617 (0.005)	0.620 (0.004)	<u>0.623 (0.004)</u>
<i>Ds11</i>	0.678 (0.018)	<u>0.724 (0.011)</u>	0.726 (0.009)	0.712 (0.006)	0.722 (0.009)	0.715 (0.014)	0.725 (0.014)	0.728 (0.017)
<i>Ds12</i>	0.792 (0.008)	0.812 (0.005)	0.808 (0.004)	0.806 (0.005)	0.812 (0.004)	0.812 (0.002)	<u>0.816 (0.002)</u>	0.815 (0.002)
<i>Ds13</i>	0.835 (0.005)	0.858 (0.002)	0.856 (0.002)	0.858 (0.002)	<u>0.866 (0.002)</u>	0.860 (0.008)	0.863 (0.004)	0.863 (0.006)
<i>Ds14</i>	0.712 (0.018)	0.754 (0.010)	0.740 (0.012)	0.729 (0.018)	0.743 (0.012)	0.755 (0.011)	0.756 (0.012)	<u>0.761 (0.010)</u>

Table D.1: Results of the benchmarking experiment using the AUC performance measure

Data set	Decision tree (DT)	Regularized logistic regression (LR)	Generalized additive model (GAM)	Multivariate additive regression splines (MARS)	Random forest (RF)	Rule ensemble (RE)	Spline-rule ensemble (SRE)	Spline-rule ensembles with SGL (SRE-SGL)
<i>Ds1</i>	2.619 (1.746)	5.000 (0.101)	5.167 (0.218)	5.477 (0.184)	5.175 (0.850)	5.128 (0.059)	<u>5.515 (0.249)</u>	5.487 (0.272)
<i>Ds2</i>	4.929 (0.174)	5.014 (0.045)	4.991 (0.055)	5.068 (0.152)	3.207 (1.302)	5.117 (0.082)	<u>5.177 (0.047)</u>	5.149 (0.049)
<i>Ds3</i>	0.615 (0.616)	1.934 (0.161)	1.790 (0.117)	1.903 (0.176)	1.801 (0.155)	2.094 (0.114)	2.053 (0.153)	<u>2.097 (0.127)</u>
<i>Ds4</i>	0.741 (0.295)	4.389 (0.023)	4.122 (0.030)	4.176 (0.037)	<u>4.419 (0.045)</u>	4.353 (0.036)	4.407 (0.037)	4.404 (0.038)
<i>Ds5</i>	2.482 (0.906)	3.305 (0.067)	3.466 (0.044)	3.578 (0.055)	<u>3.884 (0.070)</u>	3.340 (0.030)	3.701 (0.072)	3.705 (0.085)
<i>Ds6</i>	2.391 (1.030)	3.483 (0.073)	3.374 (0.053)	3.504 (0.043)	3.522 (0.056)	3.558 (0.067)	<u>3.593 (0.063)</u>	3.568 (0.067)
<i>Ds7</i>	1.430 (1.125)	2.245 (0.199)	2.101 (0.120)	3.348 (0.210)	<u>3.965 (0.227)</u>	1.264 (0.372)	2.333 (0.285)	2.347 (0.285)
<i>Ds8</i>	3.901 (0.599)	4.083 (0.097)	4.120 (0.093)	4.286 (0.108)	<u>4.845 (0.112)</u>	4.528 (0.113)	4.564 (0.122)	4.560 (0.114)
<i>Ds9</i>	1.084 (0.288)	1.414 (0.030)	1.580 (0.030)	1.382 (0.037)	1.576 (0.049)	1.484 (0.035)	1.585 (0.027)	<u>1.587 (0.027)</u>
<i>Ds10</i>	0.768 (0.616)	<u>1.814 (0.096)</u>	1.484 (0.098)	1.358 (0.232)	1.484 (0.277)	1.606 (0.254)	1.468 (0.616)	1.628 (0.283)
<i>Ds11</i>	1.712 (0.614)	3.333 (0.202)	3.156 (0.161)	3.125 (0.225)	3.184 (0.184)	3.288 (0.154)	3.322 (0.185)	<u>3.537 (0.246)</u>
<i>Ds12</i>	1.109 (0.529)	2.745 (0.056)	2.504 (0.053)	2.382 (0.059)	2.652 (0.075)	2.705 (0.064)	<u>2.782 (0.058)</u>	2.777 (0.059)
<i>Ds13</i>	2.625 (0.089)	5.107 (0.079)	5.073 (0.159)	5.066 (0.199)	5.153 (0.072)	5.092 (0.265)	5.246 (0.077)	<u>5.250 (0.091)</u>
<i>Ds14</i>	0.762 (0.373)	2.139 (0.086)	2.006 (0.145)	1.915 (0.199)	2.078 (0.139)	1.550 (1.032)	2.072 (0.430)	<u>2.231 (0.090)</u>

Table D.2: Results of the benchmarking experiment using the TDL performance measure

## Appendix E: Analysis of Variable Interactions

An alternative use of partial dependence functions is the analysis of variable interactions. The presence of multivariate rules in (S)RE models indicate the existence of such interactions, but when there are multiple interactions, or when these variable interactions are represented by several rules with the same set of defining variables, a more formal analysis is required to reveal the nature and strength of these effects.

Based on equation (12), the two interaction effects that are observed in the SRE-SGL model (**Error! Reference source not found.**) are confirmed: an interaction between *recchrg* and *eqpdays* ( $H^2_{recchrg,eqpdays} = 0.9939$ ), and between *retcalls* and *eqpdays* ( $H^2_{retcalls,eqpdays} = 0.5513$ ). Figure E.1 shows partial dependence plots  $\hat{F}_{jk}(x_{ij}, x_{ik})$  for these two interaction effects. The first interaction effect dictates that the impact of *retcalls* on churn probabilities increases for decreasing values of *eqpdays*, while the second interaction effect shows that positive effects of *eqpdays* and *recchrg* partially cancel each other out: the positive effect of *eqpdays* on the probability to churn becomes less pronounced for higher values of *recchrg*.

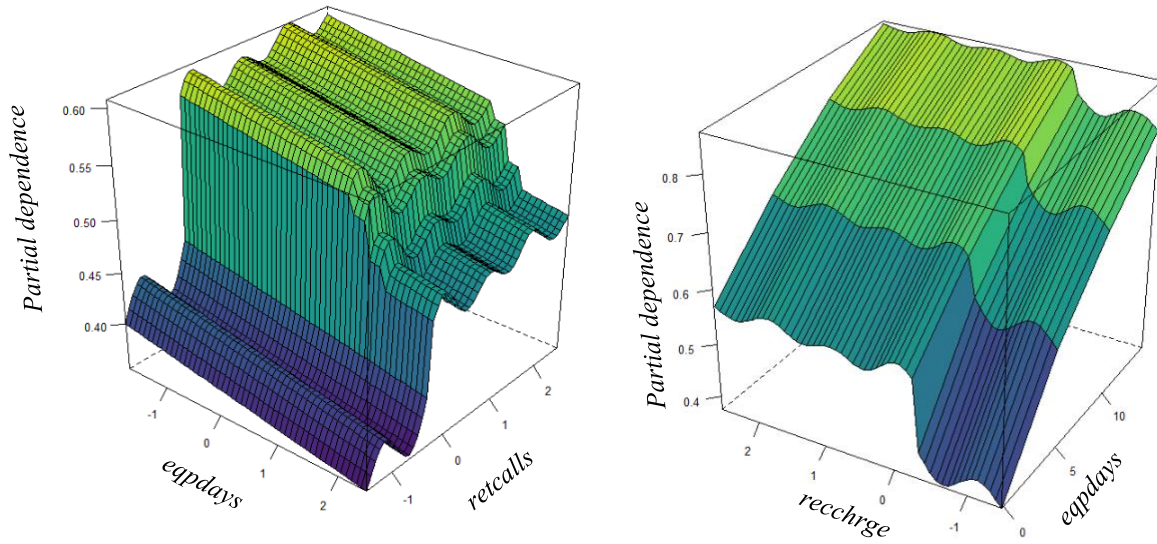


Figure E.1: Graphical representation of two interaction effects present in the SRE-SGL model through partial dependence plots