

# CUSTOMER CHURN

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# SYRIATEL: A TELECOMS COMPANY

## WHY DO CUSTOMERS CHURN?



# Project Overview

CUSTOMER CHURN/ CUSTOMER ATTRITION/ CUSTOMER TURNOVER: The rate at which customers stop doing business with a company in a specific period of time

Building a Predictive Model for SyriaTel  
Communication to forecast customer propensity to churn



# Background

## general Overview

In the fiercely competitive telecommunications industry, Syriatel Communications aims to tackle the challenge of customer churn through a proactive and data-driven approach. The objective is to develop a predictive model that identifies potential churners, allowing the implementation of targeted strategies for customer retention and overall business growth.

The benefits are clear: by reducing churn rates:

- Syriatel anticipates increased revenues, profitability, and market positioning.
- Customers will enjoy improved services and tailored offerings.
- Shareholders can expect enhanced returns on their investments. Employees, too, stand to gain through better remuneration and a thriving work environment as the company continues to succeed.

# Project goals

01

- To identify the key features that determine if a customer is likely to churn.

02

- To determine the most suitable model to predict Customer Churn.

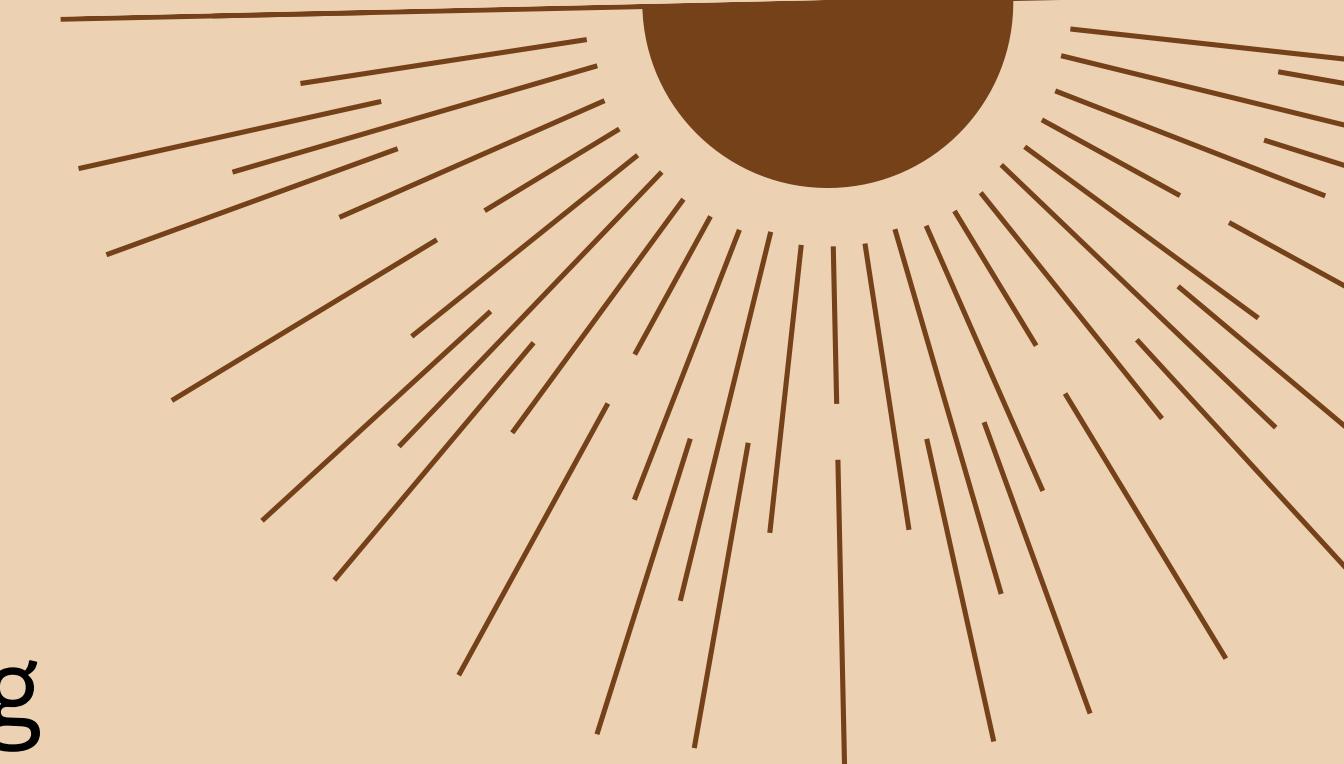
03

- To establish Customer retention strategy to reduce churn

# PROCESS

## CRIPS - DM

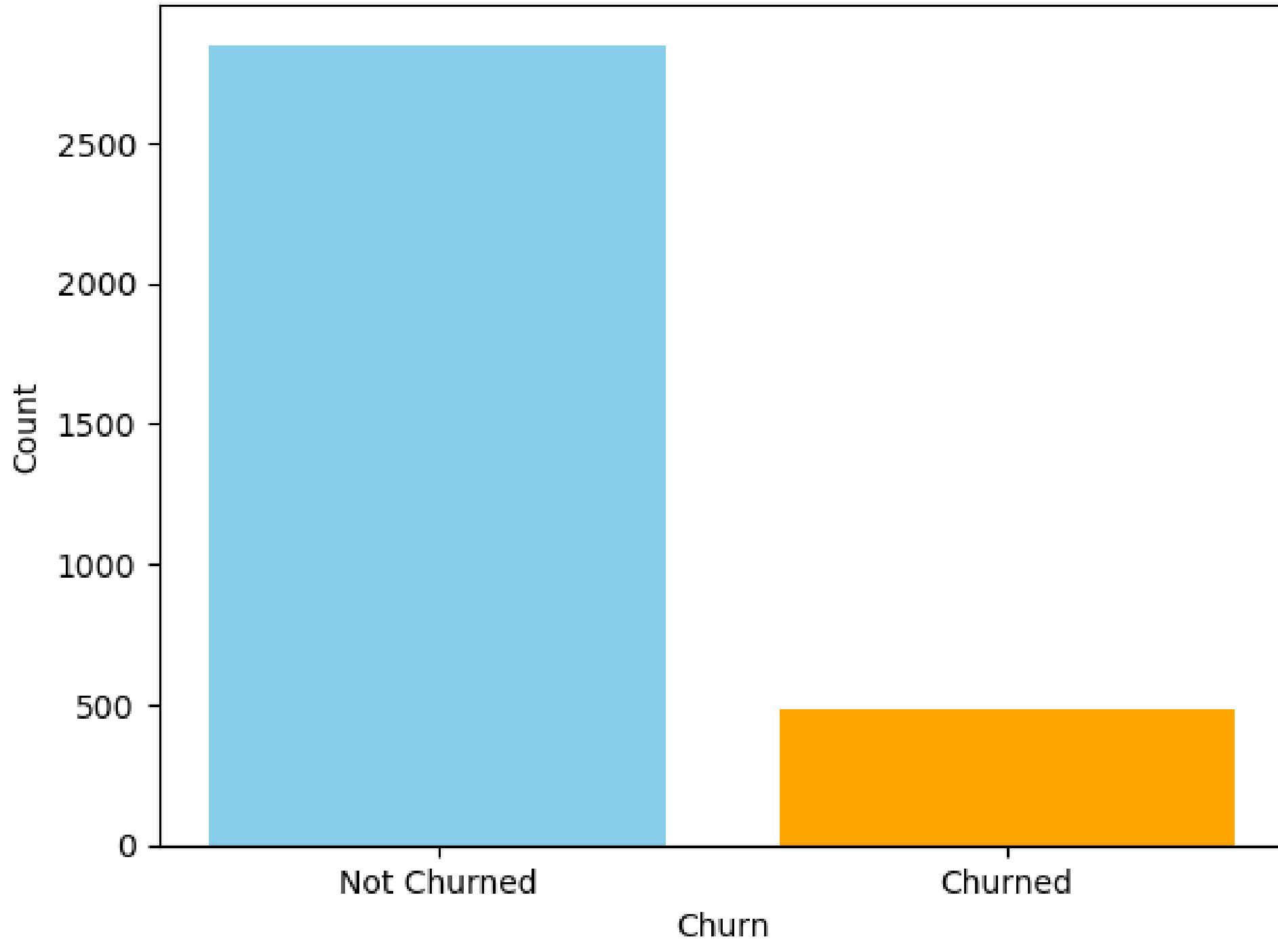
Cross Industry Standard For Data Mining



- BUSINESS UNDERSTANDING
- DATA UNDERSTANDING
- DATA PREPARATION
- MODELING
- EVALUATION
- MODEL SELECTION AND DEPLOYMENT

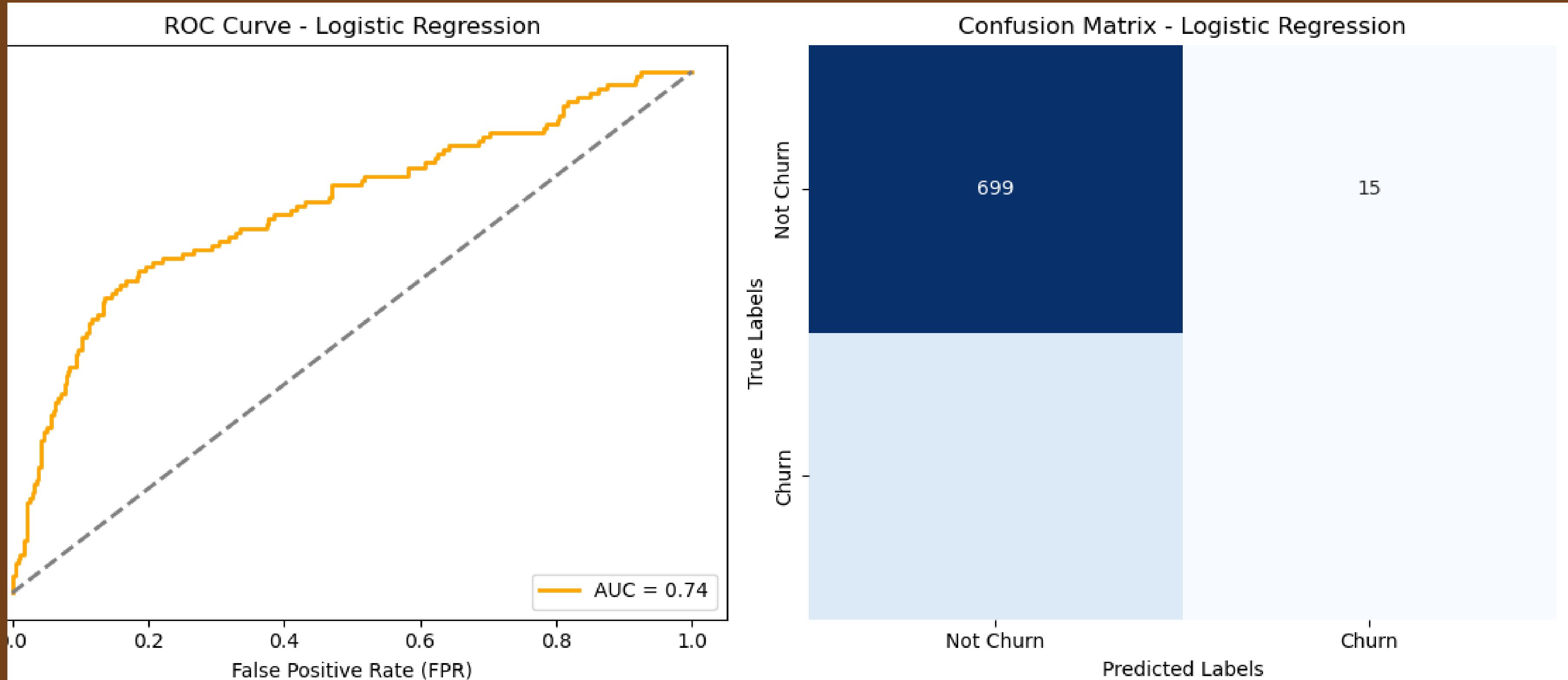
# TARGET VARIABLE

Distribution of Churn

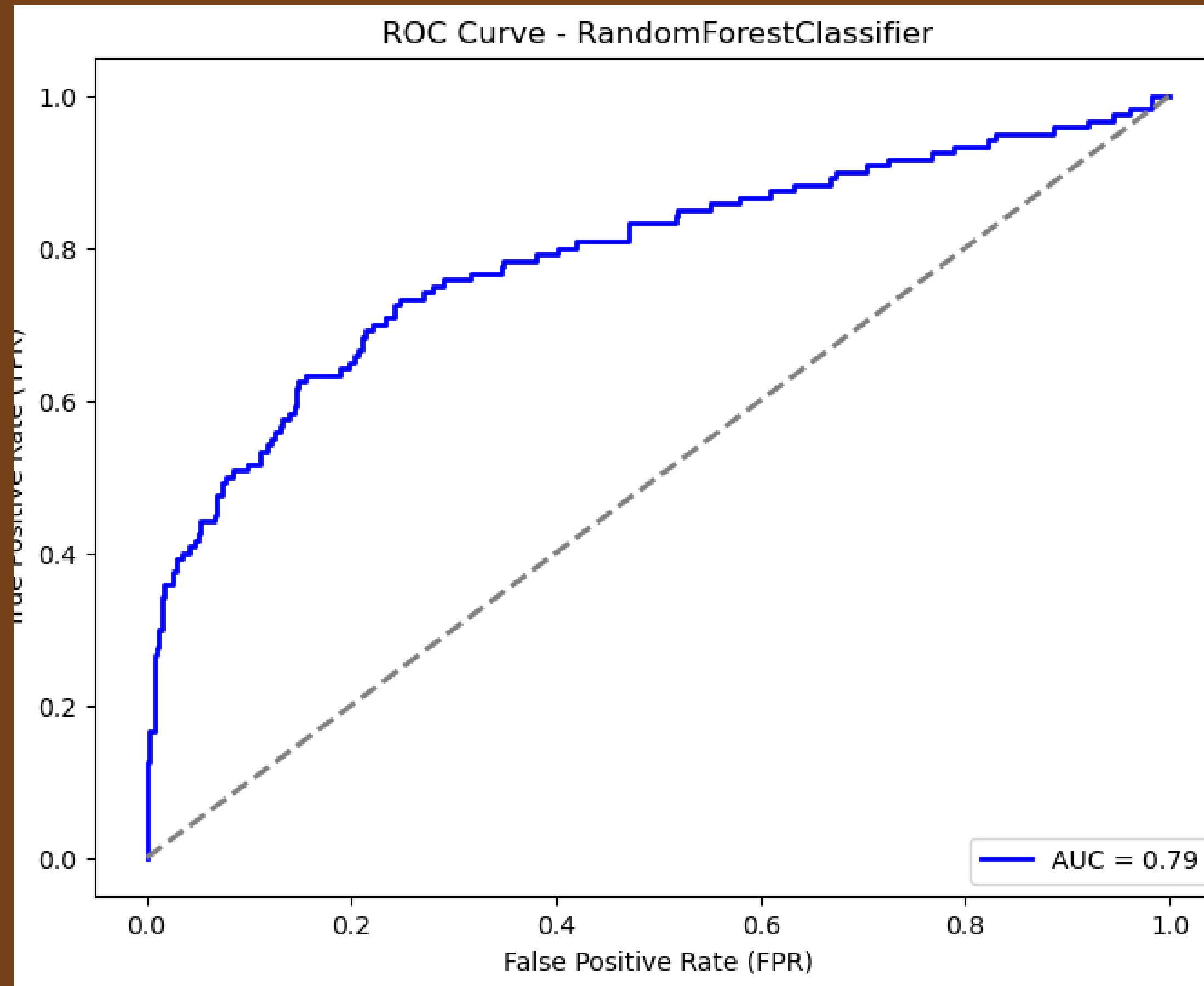


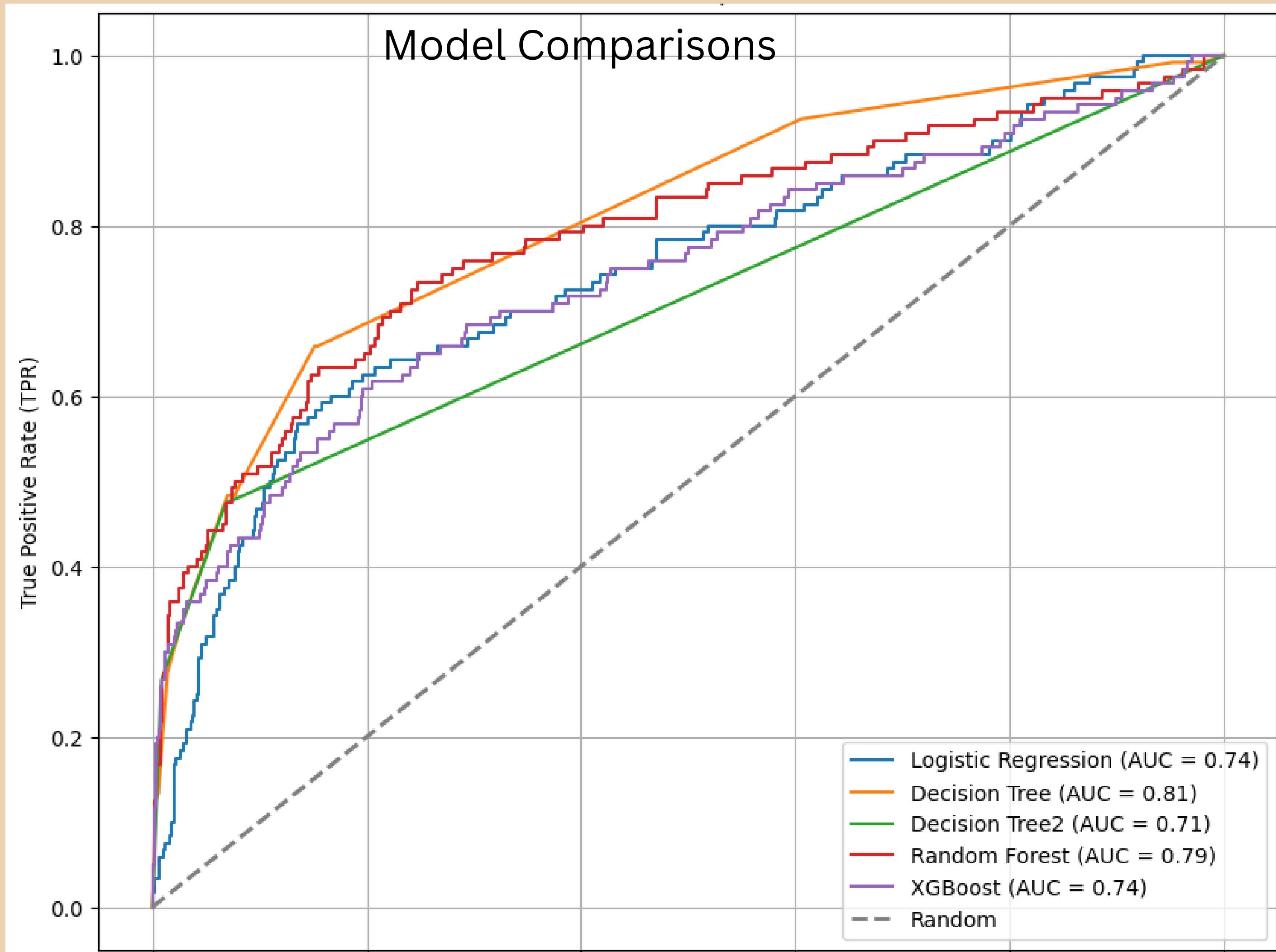
# MODELING

## BASELINE VANILLA LOGISTIC REGRESSION MODEL



# ROC curve of best performer model





# Conclusion

- Analysis indicates a high level of accuracy in predicting customer churn through the application of machine learning techniques.
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- The Random Forest Classifier emerges as the recommended model, showcasing superior overall performance.
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- The study Recommend adopting Random Forest Classifier as the primary model for predicting customer churn.-

# Recommendations

- Business Strategic Recommendations for SyriaTel:
  - Implement a targeted Customer Retention strategy.
  - Focus on key features related to call minutes and charges.
  - Consider personalized offers or discounts on daily charges.
  - Aim to retain customers and minimize potential revenue loss.
  - Address factors contributing to Customer Churn:
    - Develop strategies to reduce customer service calls.
    - Enhance customer experience and satisfaction.

Thank You

