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For my predictor model, I used the logistic binary regression on the testing data by using the application SPSS. For the testing data, I set 1 as churn and 0 as not churn. The dependent variable I used is churn or not churn. For the dependent variable, I chose to use tenure and monthly charge. I chose this two mainly because I felt that they are the deciding factors for a person to churn or to not churn. Upon checking the correlation, it got a somewhat significant correlation, 0.22 for monthly charge and 0.32 for tenure.

Upon checking the results, I am not confident with the regression output. Upon checking the Hosmer Lemeshow Test, the p value of the model is 0.001. This indicates that the model is not a very good one. Upon getting the regression model, I calculated the odds ratio of each customer. All customers above 0.5 churns. All customers below 0.5 does not churn.

The results are 80% of the customers has a probability of churning greater than 0.5. 20% of the customers has a probability of churning less than 0.5.