

TELECOM CHURN RATE

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Questions to Explore on Churn Rate

My goal in this project is to figure out what features are causing customer churn at a Telecom company and create a predictive model to help them in the future predict if a customer will cancel their account based on the important features I discovered in my model.

How does the location of the clients affect churn?

Is the International charges priced competitively by minutes enough to keep customers?

Question 2

Question 1

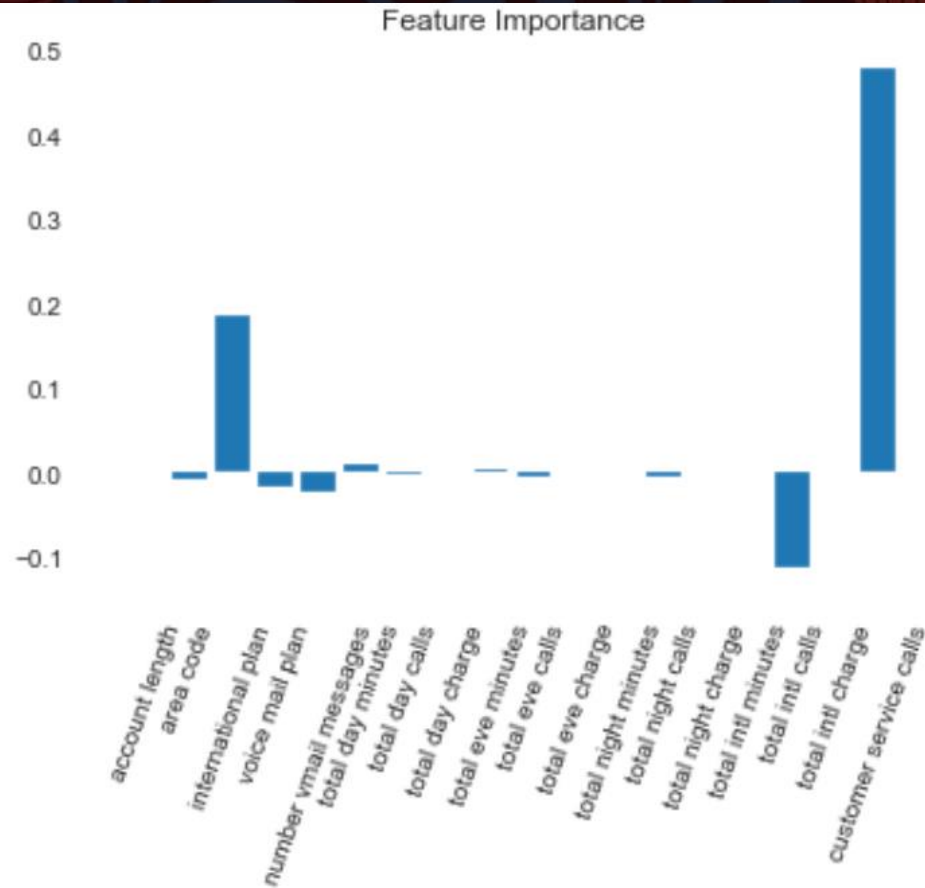
Question 3

How does the international plan affect the churn rate?

Important Features Discovered from Logistic Regression Modeling

Accuracy score of:
85%

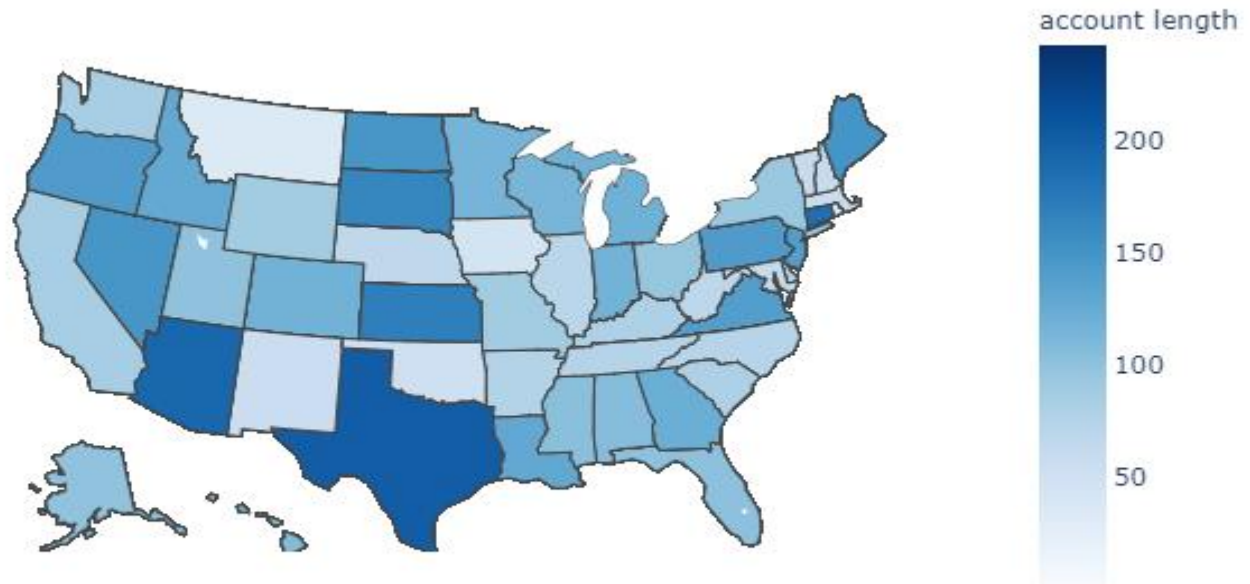
Top Features to Explore Further:
1. Total International Charge
2. Area Code
3. Total International Minutes



Question 1: How does the location of the clients affect churn?

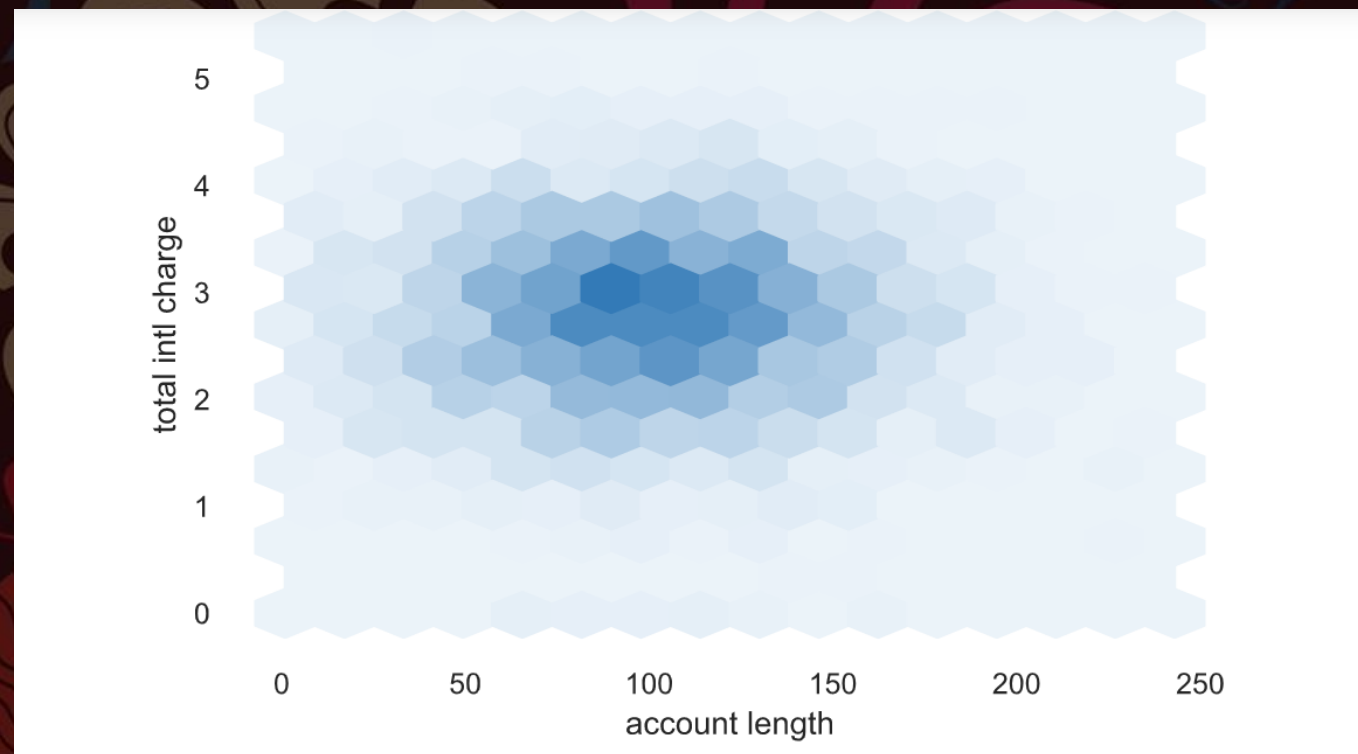
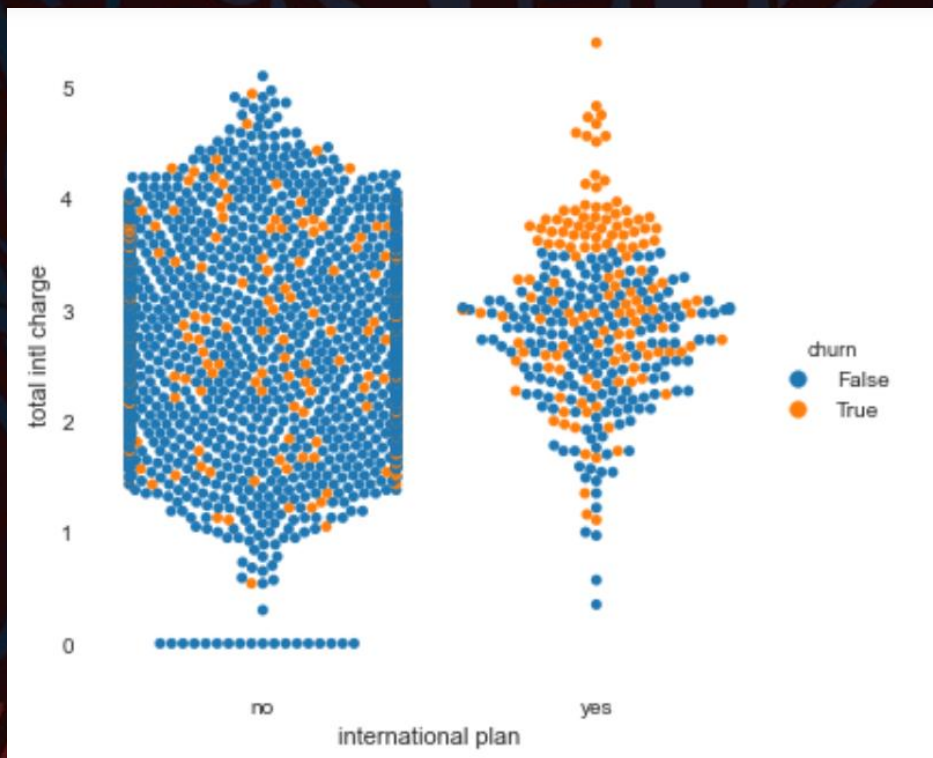
States with the highest amount of customers

1. West Virginia - 106
2. Minnesota - 84
3. New York - 83
4. Alabama - 80
5. Wisconsin - 78



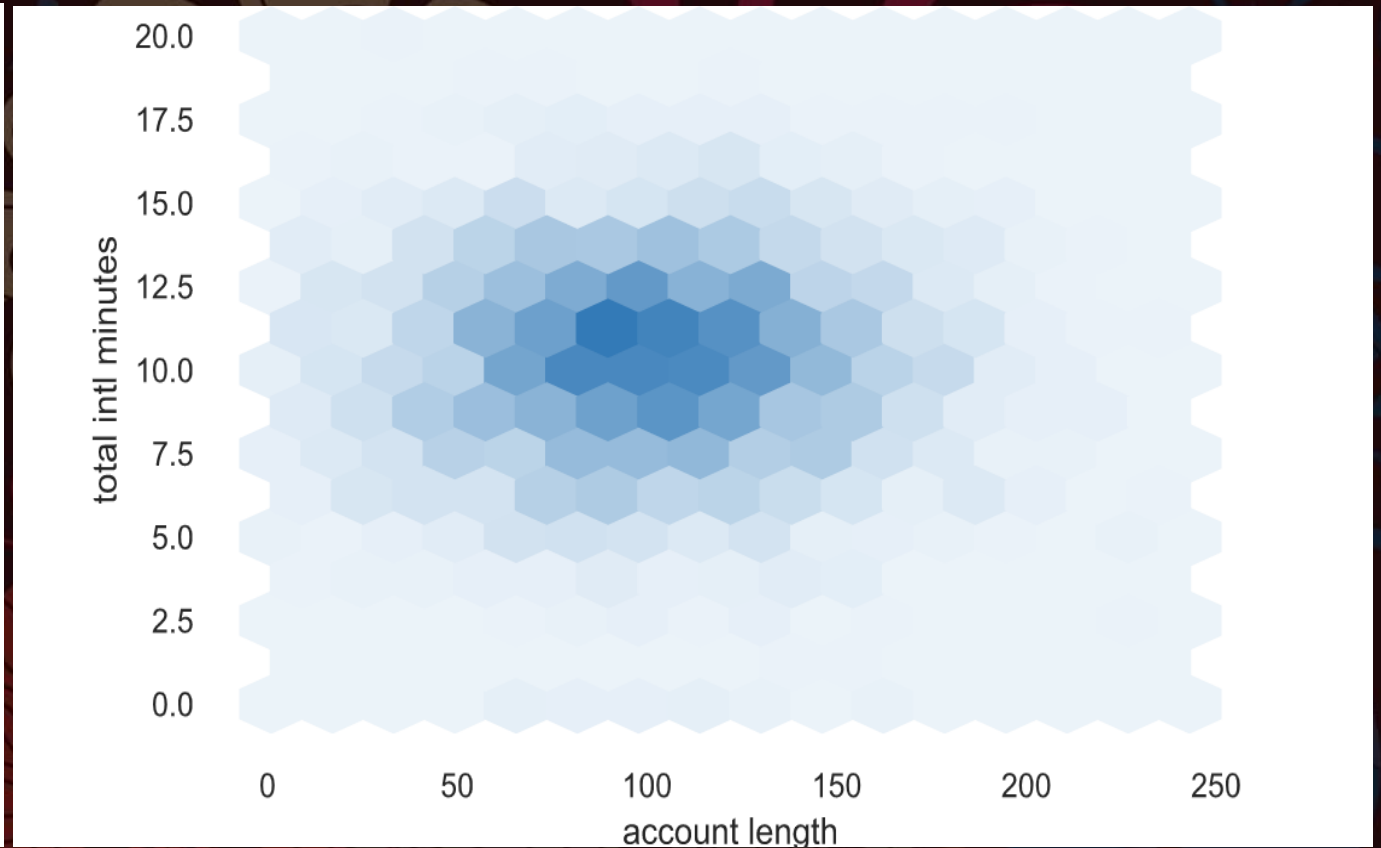
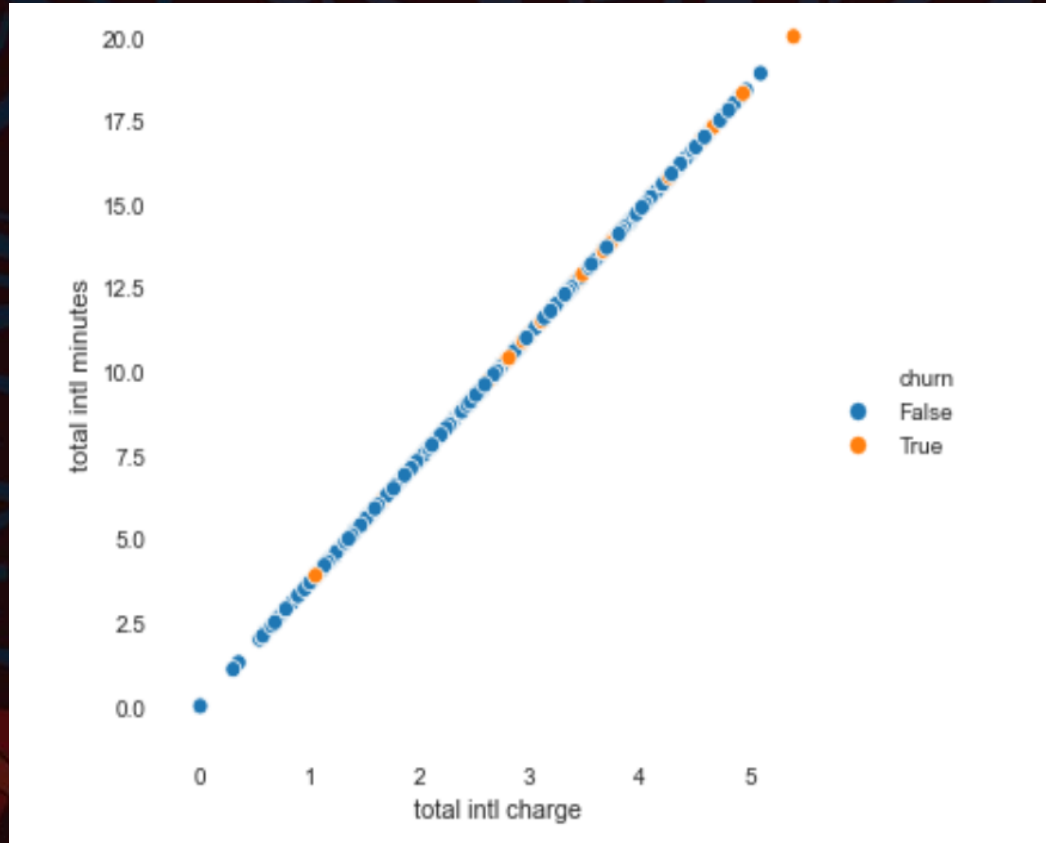
There are lower account lengths for states who are not typically known to be big business areas.

Question 2: How does the international plan affect the churn rate?



There are higher customer churn with customer with international plans when their total international charges are 3.5 and higher a month. There is a sweet spot for accounts staying active when the total international charges are between 2 and 3.5 a month.

Question 3: Is the International charges priced competitively by minutes enough to keep customers?



There are higher customer churn when the customer uses more than 10 minutes a month on the international plan. The average account length uses around 7.5 to 13 international minutes a month.

Recommendations

Based on my findings, I recommend the following:

Create a better International Plan for their customers

Refocus on who your target market is to increase poor customer/product fit and watch out for competitors and conduct a SWOT analysis

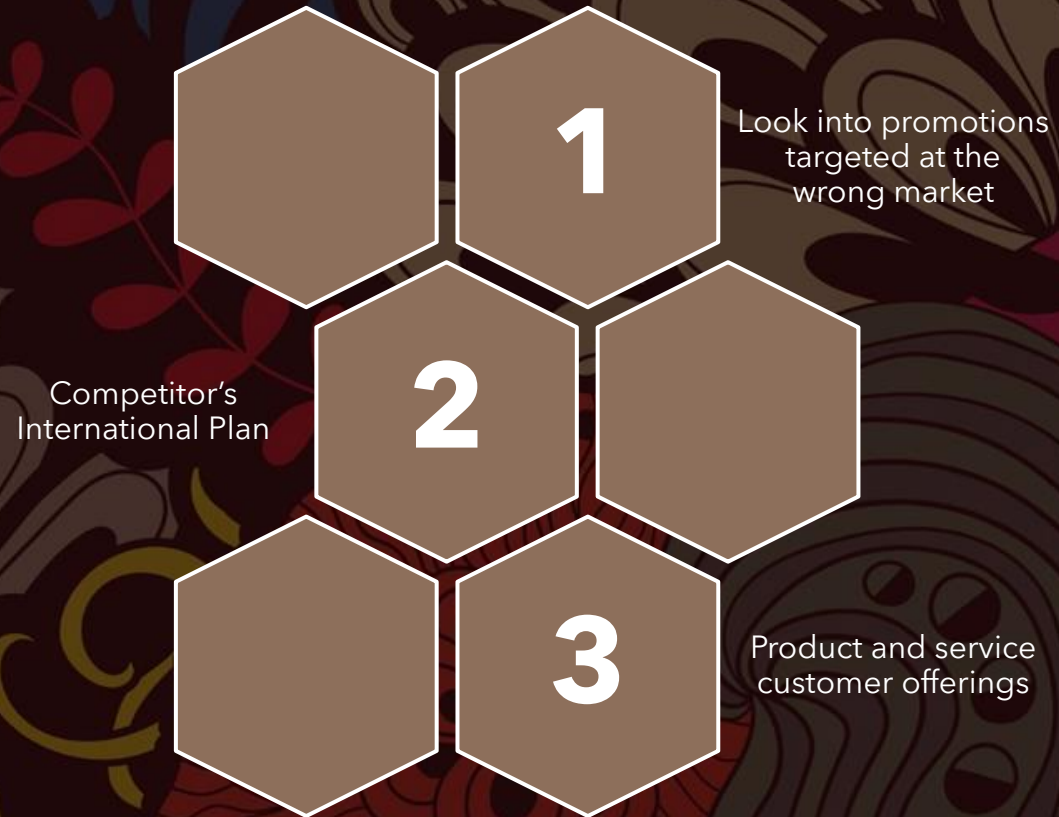
Recommendation 2

Recommendation 1

Optimize your pricing for a better value

Recommendation 3

Future Work



THANK YOU!

