PREDICTING CHURN RATE IN E-COMMERCE PLATFORMS

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PROBLEM STATEMENT

Customer churn is a major problem for the e-commerce platform:

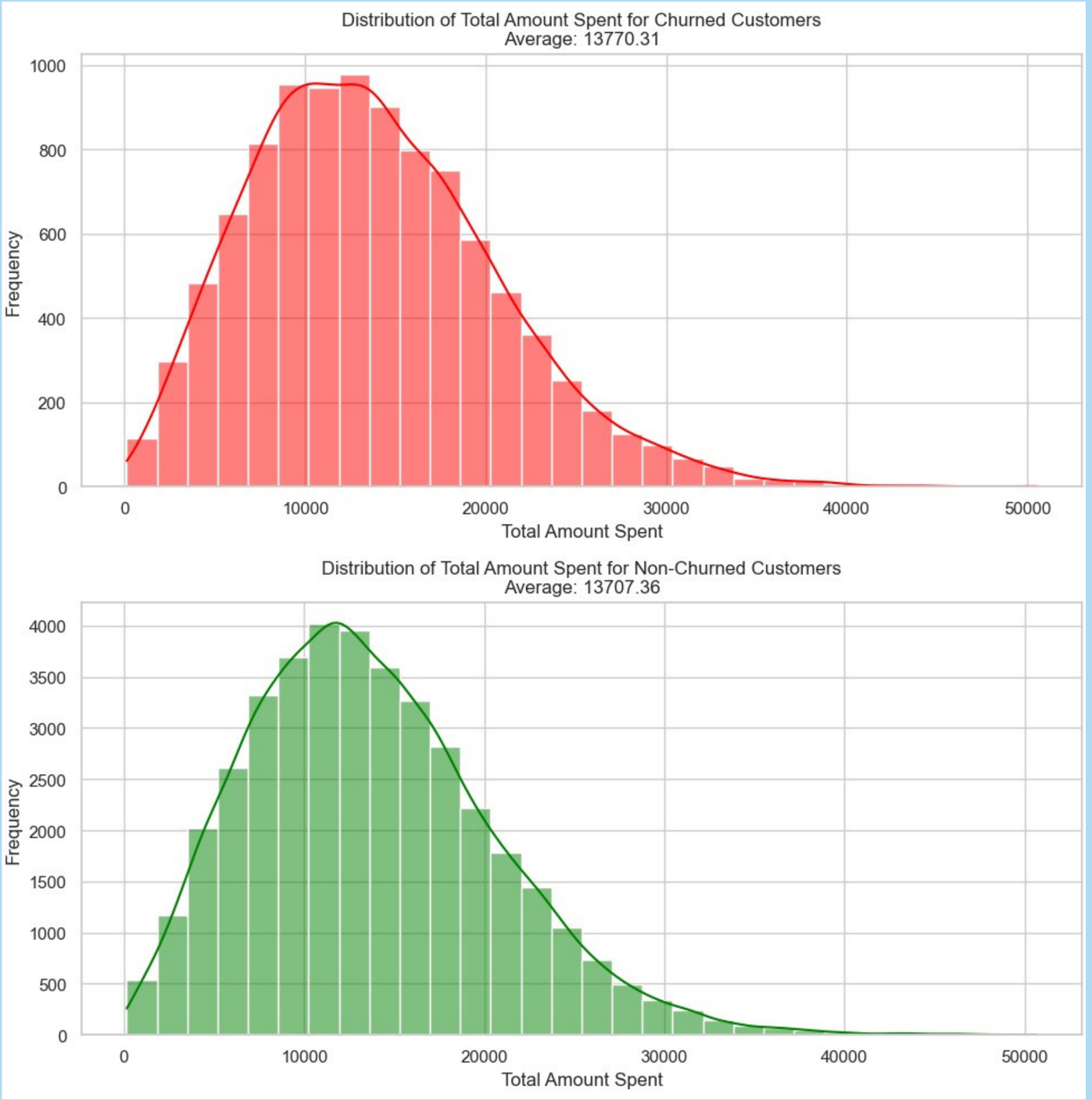
- Churn hurts profits, reputation, and growth.
- A data-driven solution is required to identify early signs of churn.
- Personalized customer experiences are needed to keep customers engaged.

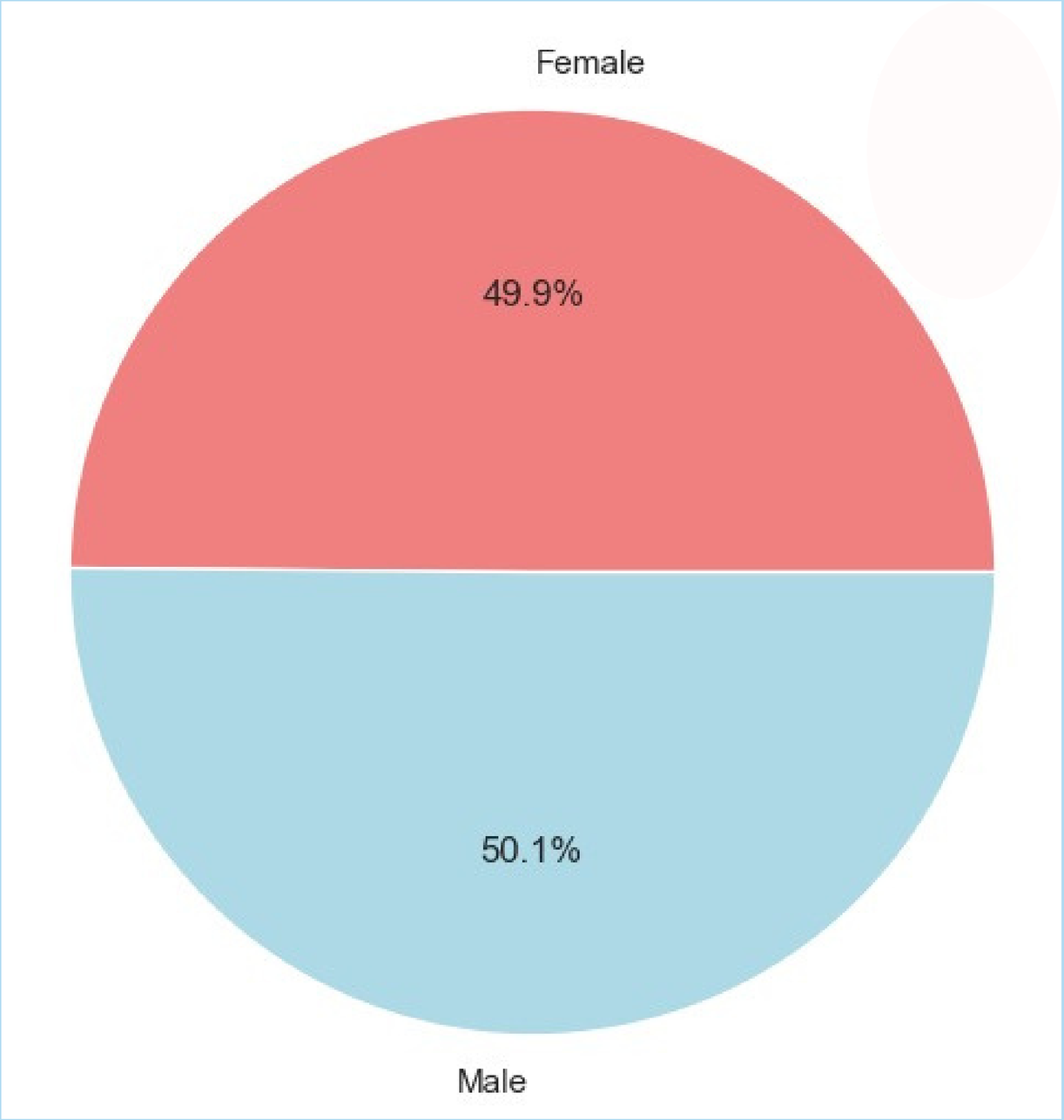
PROJECT OVERVIEW

Developing a Churn Prediction Model for an e-commerce platform to address the challenge of customer disengagement.

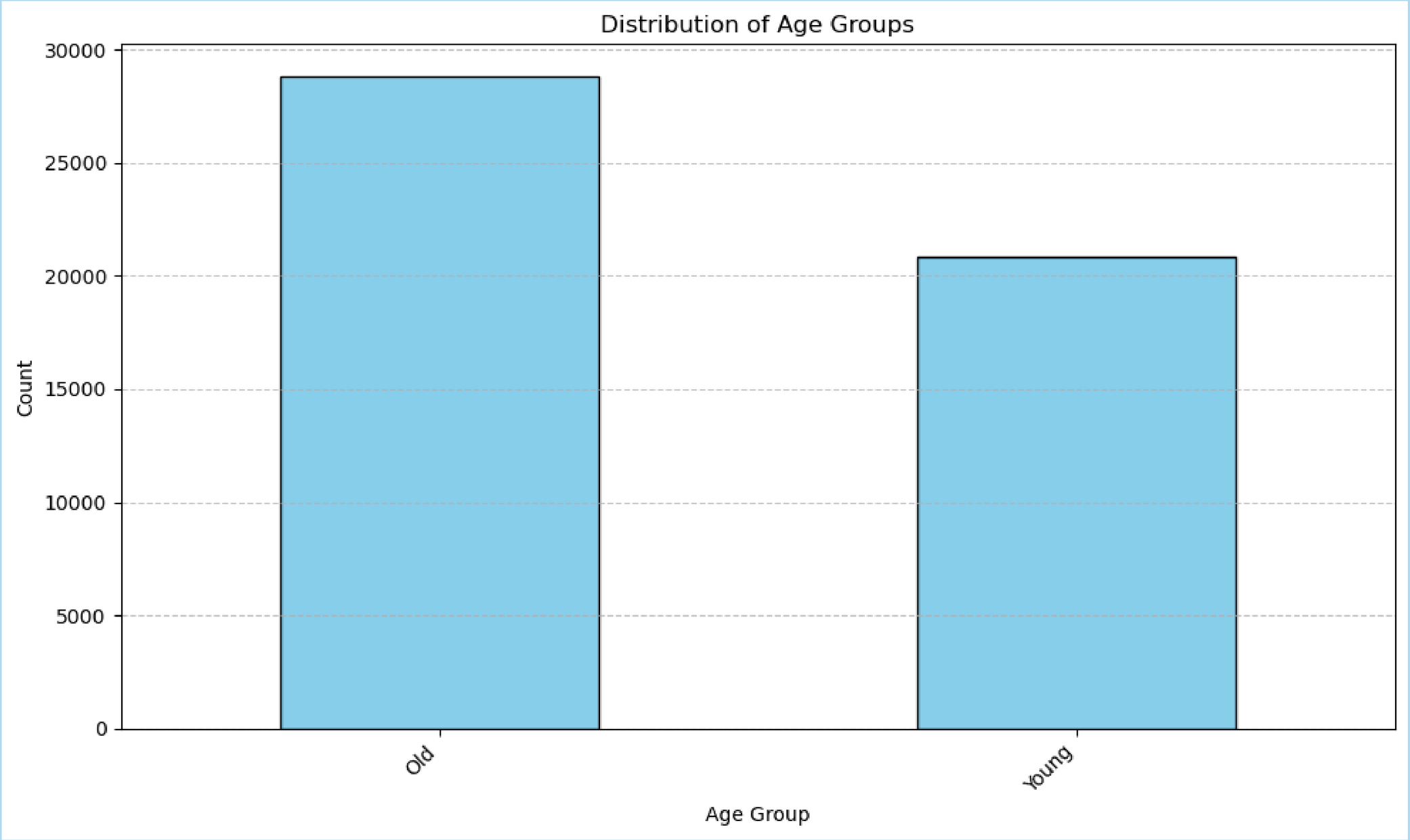
BUSINESS QUESTIONS

1. Which **customer features** are most indicative of a potential churn?
2. Which **consumer behaviors** are most indicative of a potential churn?
3. How impactful are the **products returned** to the customer churn or retention?

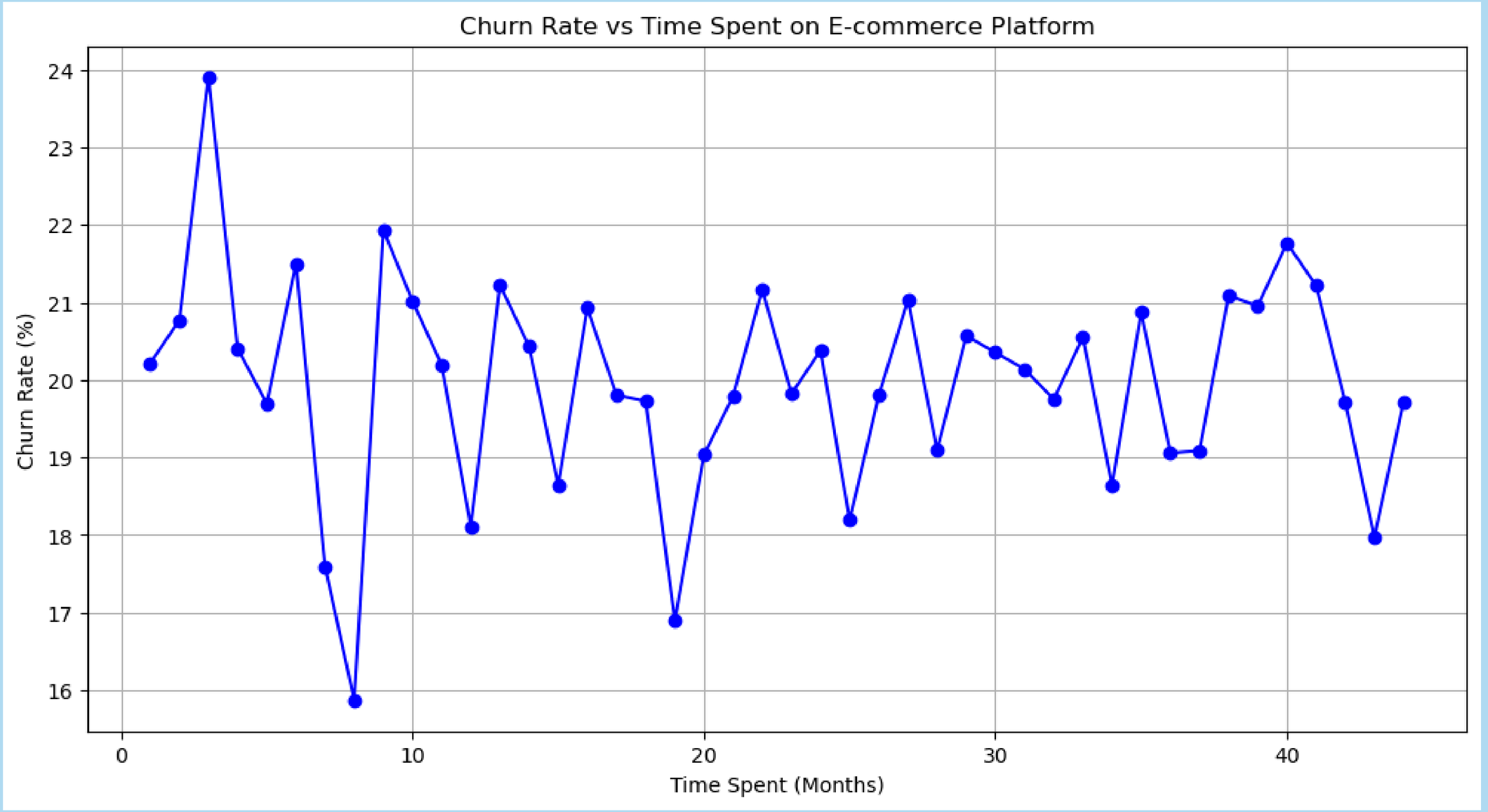

Distribution of Total Amount Spent for Churned Customers
Average: 13770.31
Frequency
Total Amount Spent
0
200
400
600
800
1000
0
10000
20000
30000
40000
50000
Distribution of Total Amount Spent for Non-Churned Customers
Average: 13707.36
Frequency
Total Amount Spent
0
500
1000
1500
2000
2500
3000
3500
4000
0
10000
20000
30000
40000
50000



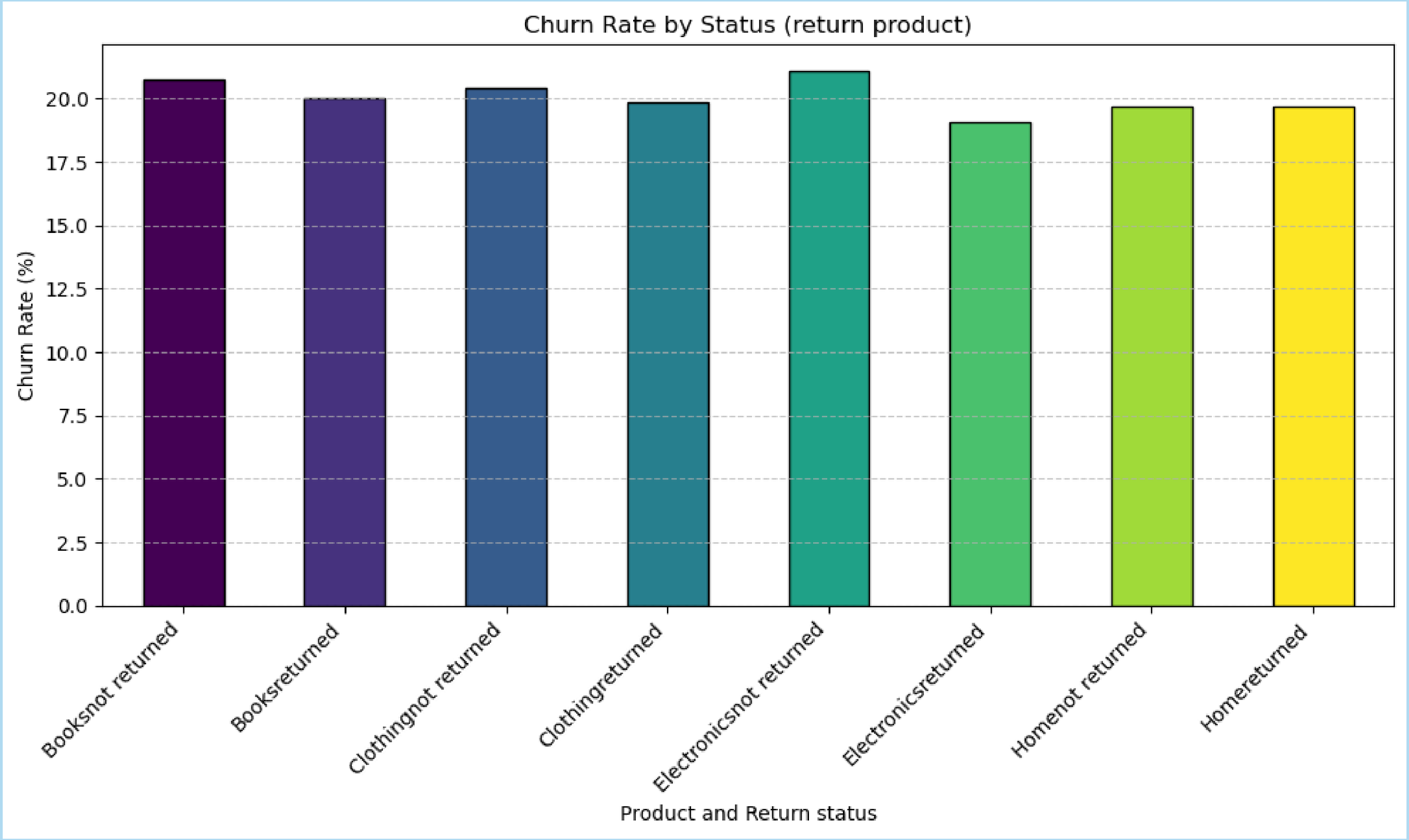
Customer Feature - Gender Churn Rate



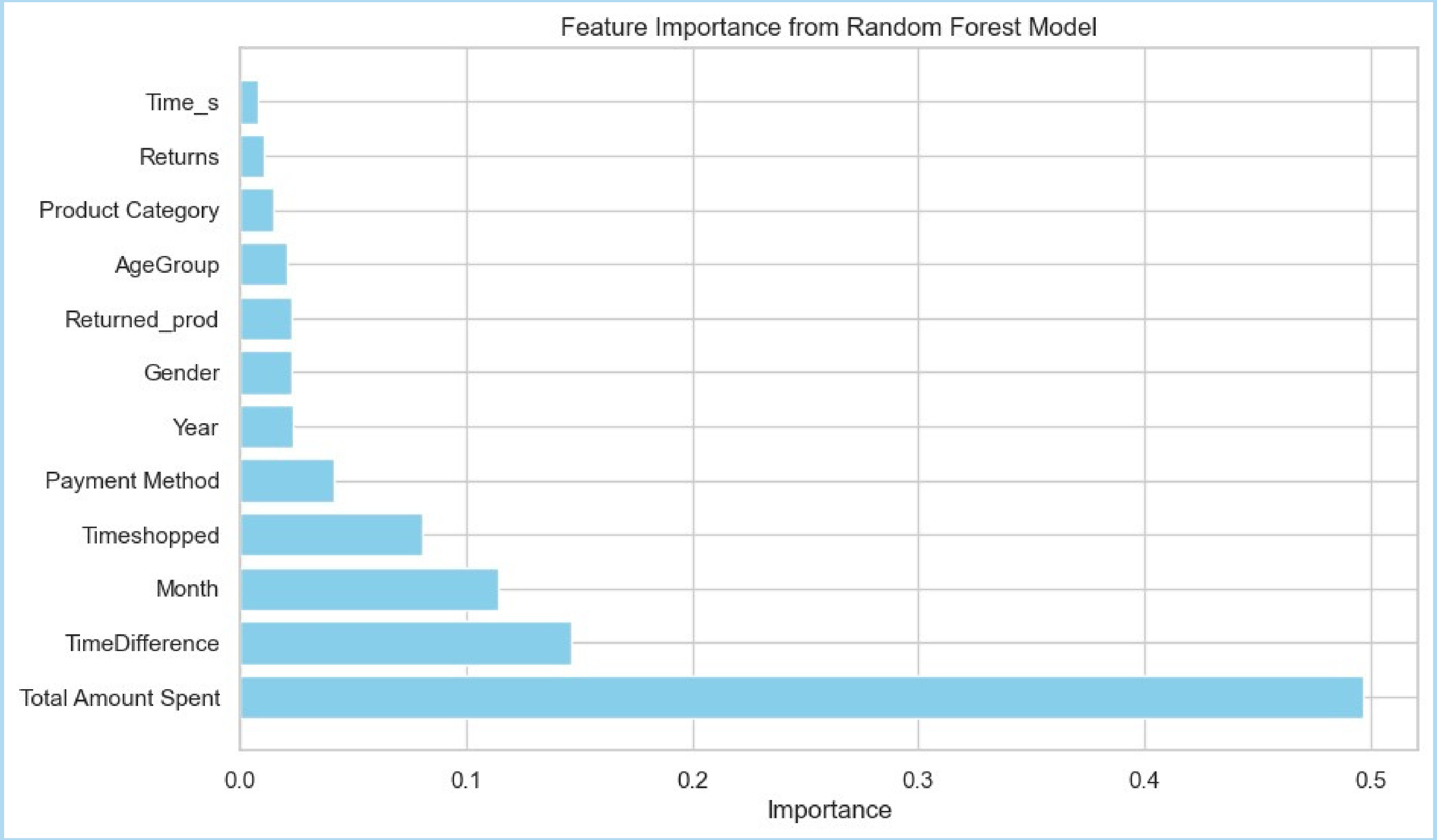
Customer Feature - Age Churn Rate (Old >40)



Consumer Behaviour - Time Spent



Product Return - Comparative Analysis.



Feature Importance - By rank

RECOMMENDATIONS

1. Targeted campaigns and feedback surveys (Older and Male customers).
2. Incentives (New and big spenders).
3. Feedback survey on returned products.

NEXT STEPS

1. Customer segmentation (Spending, Customer behavior).
2. Data Acquisitions.

Q&A