```
libname churn "Y:\FINAL CASE STUDY CHURN";
proc import datafile="Y:\FINAL CASE STUDY CHURN\telecomfinal.csv"
out=churn.telecom dbms=csv replace;
run;
proc contents data=churn.telecom;
run;
proc means n nmiss mean data=churn.telecom;
/* missing value for character variables
proc format;
value $missfmt ' ' = 'Missing' other = 'Not Missing';
value missfmt . = 'Missing' other = 'Not Missing';
run;
proc freq data= churn.telecom;
format income $missfmt.;
tables income / missing missprint nocum nopercent;
format _NUMERIC_ missfmt.;
tables NUMERIC /missing missprint nocum nopercent;
run;
*/
proc freq data= churn.telecom;
tables income retdays area asl flag car buy cartype children crclscod csa
div type dwllsize dwlltype ethnic
hnd webcap income mailordr mailresp marital numbcars occul prizm social one
proptype refurb new
retdays solflag wrkwoman ;
run;
/* deleting missing value */
data churn.telecom1;
set churn.telecom;
if mou Mean = . or totmrc Mean = . or rev range = . or mou Range = . or
change mou = . or ovrrev Mean = . or
rev Mean = . or ovrmou Mean = . or avg6mou = . or avg6qty = . or age1 = . or
age2 = . or hnd price = . or
forgntvl = . or mtrcycle = . or truck = . or roam Mean = . or da Mean = . or
da Range = . or datovr Mean = . or
datovr Range = .
then delete;
run;
data churn.telecom2;
set churn.telecom1;
if income=' ' or retdays=' '
then delete;
run;
PROC freq DATA= churn.telecom;
tables churn;
run:
```

```
proc means nmiss data=churn.telecom2;
run;
/*checking whether the missing values are deleted or not*/
proc means nmiss n mean data=churn.telecom1;
run;
/* IMPUTING MISSING VALUE USING PROC MI USING MLE(MAXIMUM LIKELIHOOD
ESTIMATION)
PROC MI DATA =churn.telecom1;
EM OUT= churn.telecom MI;
VAR mou Mean totmrc Mean rev range mou Range change mou ovrrev Mean rev Mean
ovrmou Mean rev Mean avg6mou avg6qty age1 age2
hnd price forgntvl mtrcycle truck roam Mean da Mean da Range datovr Mean
datovr range;
RUN;
PROC MEANS NMISS N MEAN DATA= churn.TELECOM MI;
RUN;
DATA churn.telecom 1;
set churn.telecom1;
merge 1=1;
run;
data churn. TELECOM MI;
set churn. TELECOM MI;
merge 1=1;
run;
data churn.TELECOM2;
merge churn.telecom 1 churn.TELECOM MI;
by merge 1;
run;
/* PROC FREQ
proc freq data=churn.telecom1;
tables income /nocum nopercent nocol;
run;
proc means n data=churn.telecom2;
run;
/*IMPUTING MEANS MISSING VALUE FOR CHARACTER VARIABLE*/
data churn.TELECOM2;
set churn.TELECOM2;
income1=input(income, 10.);
retdays1=input(retdays, 5.);
run;
PROC MEANS NMISS DATA=churn.TELECOM2;
RUN;
data churn.TELECOM3(drop=income retdays);
set churn.TELECOM2;
```

```
run;
/* renaming variable as it was earlier*/
data churn.TELECOM4;
set churn.TELECOM3;
rename income1=income;
rename retdays1=retdays;
run;
proc means data=churn.TELECOM4;
RUN;
/* calculating mean further to be stored as missing values for these
variables*/
proc means mean data=churn.TELECOM4;
var avg6mou avg6qty income retdays;
output out=churn.TELECOM4 MEAN
mean (avg6mou) = mean avg6mou
mean (avg6qty) = mean avg6qty
mean (income) = mean income
mean (retdays) = mean retdays;
run;
PROC MEANS DATA=churn.TELECOM4 MEAN;
run;
proc means nmiss data=churn.TELECOM4 MEAN;
RUN;
/* preparing datasets to be merged*/
data churn.TELECOM5;
set churn.TELECOM4;
merge1=1;
run;
data churn.TELECOM4 MEAN;
```

set churn.TELECOM4;

data churn.TELECOM6;

/\*merging both dataset using one to one merge\*/

/\*imputing mean values to all missing values\*/

merge churn. TELECOM4 MEAN churn. TELECOM5;

merge1=1;
run;

BY mergel;

run;

```
data churn.TELECOM7;
set churn.TELECOM6;
if avg6mou=. then avg6mou1=round (mean avg6mou, 0.01);
else avg6mou1=avgmou;
if avg6qty=. then avg6qty1=round(mean avg6qty, 0.01);
else avg6qty1=avg6qty;
if income=. then income1=round(mean income, 0.01);
else income1=income;
if retdays=. then retdays1=round(mean retdays, 0.01);
else retdays1=retdays;
run;
data churn. TELECOM8 (drop=avg6mou avg6qty income retdays mean avg6mou
mean avg6qty
mean income mean retdays merge1);
set churn.TELECOM7;
run;
proc means nmiss data=churn.telecom7;
data churn.TELECOM9;
rename avg6mou1=avg6mou avg6qty1=avg6qty income1=income retdays1=retdays;
set churn.TELECOM8;
proc means nmiss mean data=churn.TELECOM9;
run;
proc freq data= churn.telecom;
tables income retdays area asl flag car buy cartype children crclscod csa
div type dwllsize dwlltype ethnic
hnd webcap income mailordr mailresp marital numbcars occul prizm social one
proptype refurb new
retdays solflag wrkwoman ;
run;
data churn.backup;
set churn.TELECOM9;
run:
/*---- DATA PREPRATION-----
----- CREATING DUMMY VARIABLES---
```

```
run:
/*1. asl flag */
data churn.telecom dummy;
set churn.TELECOM9;
if asl flag='Y' then asl flag y=1;
else asl flag y=0;
*run;
/*2.prizm social one*/
if prizm social one='C' then city area=1;
else city area=0;
if prizm social one='R' then rural area=1;
else rural area=0;
if prizm social one='S' then suburban area=1;
else suburban area=0;
if prizm social one='T' then town area=1;
else town area=0;
if prizm social one='U' then urban area=1;
else urban area=0;
if prizm social one='NA' then NA area=1;
else NA area=0;
*run;
*/3.refurb new;
if refurb new='N' then handset new=1;
else handset new=0;
/*if refurb new='R' then handset refurb=1;
else handset refurb=0;*/
*run;
*/4.marital;
if marital='M' then marital status=1;
else marital status=0;
if marital='A' then marital inferred=1;
else marital inferred=0;
if marital='B' then marital inferred single=1;
else marital inferred single=0;
/*if marital='S' then marital unmarried=1;
else marital unmarried=0;*/
if marital='U' then marital unknown=1;
else marital unknown=0;
*run
*/5.hnd webcap;
if hnd webcap='WC' then hnd webcapable=1;
else hnd webcapable=0;
if hnd webcap='UNKW' then hnd unkw=1;
else hnd unkw=0;
/*if hnd_webcap='WCMB' then hnd webcapable mini=1;
else hnd webcapable mini=0;*/
if hnd webcap='NA' then hnd na=1;
else hnd na=0;
*run;
```

```
/*6.dwlltype */
if dwlltype='M' then dwll multiple=1;
else dwll multiple=0;
if dwlltype='S' then dwll single=1;
else dwll single=0;
/*if dwlltype='NA' then dwll unknown=1;
else dwll unknown=0;*/
*run;
/*7.dwllsize */
if index(dwllsize,'A') > 0 then dwllsize 1=1;
else dwllsize 1=0;
if index(dwllsize,'B') > 0 then dwllsize_2=1;
else dwllsize 2=0;
if index(dwllsize,'C') > 0 then dwllsize 3=1;
else dwllsize 3=0;
if index(dwllsize,'D') > 0 then dwllsize 4=1;
else dwllsize 4=0;
if index(dwllsize,'E') > 0 then dwllsize 5=1;
else dwllsize 5=0;
if index(dwllsize,'F') > 0 then dwllsize 6=1;
else dwllsize 6=0;
if index(dwllsize,'G') > 0 then dwllsize 7=1;
else dwllsize 7=0;
if index(dwllsize,'H') > 0 then dwllsize 8=1;
else dwllsize 8=0;
if index(dwllsize,'I') > 0 then dwllsize 9=1;
else dwllsize 9=0;
if index(dwllsize,'J') > 0 then dwllsize J=1;
else dwllsize J=0;
if index(dwllsize,'K') > 0 then dwllsize K=1;
else dwllsize K=0;
if index(dwllsize,'L') > 0 then dwllsize L=1;
else dwllsize L=0;
if index(dwllsize,'M') > 0 then dwllsize M=1;
else dwllsize M=0;
if index(dwllsize,'N') > 0 then dwllsize N=1;
else dwllsize N=0;
/*if index(dwllsize,'0') > 0 then dwllsize 0=1;
else dwllsize O=0; */
if index(dwllsize,'NA') > 0 then dwllsize NA=1;
else dwllsize NA=0;
```

```
*run;
/*8.occu1 */
if index(occu1,'1') > 0 then occu tech=1;
else occu tech=0;
if index(occu1,'2') > 0 then occu admin=1;
else occu admin=0;
if index(occu1,'3') > 0 then occu sales=1;
else occu sales=0;
if index(occu1,'4') > 0 then occu clercial=1;
else occu clercial=0;
if index(occu1,'5') > 0 then occu_craftsman=1;
else occu craftsman=0;
if index(occu1,'6') > 0 then occu student=1;
else occu student=0;
if index(occu1,'7') > 0 then occu homemaker=1;
else occu homemaker=0;
if index(occu1,'8') > 0 then occu retires=1;
else occu retires=0;
if index(occu1,'9') > 0 then occu farmer=1;
else occu farmer=0;
if index(occu1,'A') > 0 then occu military=1;
else occu military=0;
if index(occu1,'B') > 0 then occu religious=1;
else occu religious=0;
if index(occu1,'C') > 0 or index(occu1,'D') > 0 or index(occu1,'E')>0
or index(occu1, 'F') > 0 or index(occu1, 'G') > 0 or index(occu1, 'H') > 0
or index(occul,'I') > 0 or index(occul,'J') > 0 or index(occul,'K') > 0
or index(occu1,'L') > 0 then occu self=1;
else occu self=0;
*run;
/*9.numbcars */
if index(numbcars,'1')>0 then numbcars 1=1;
else numbcars 1=0;
if index(numbcars,'2')>0 then numbcars 2=1;
else numbcars 2=0;
/*if index(numbcars,'3')>0 then numbcars 3=1;
else numbcars 3=0;*/
if index(numbcars,'NA')>0 then numbcars NA=1;
else numbcars NA=0;
*RUN;
/*10.cartype */
if index(cartype,'A')>0 then cartype luxury=1;
else cartype_luxury=0;
if index(cartype, 'B')>0 then cartype truck=1;
else cartype truck=0;
if index(cartype,'C')>0 then cartype suv=1;
else cartype suv=0;
if index(cartype, 'D')>0 then cartype mini=1;
else cartype mini=0;
if index(cartype, 'E')>0 then cartype regular=1;
else cartype regular=0;
```

```
if index(cartype,'F')>0 then cartype upper=1;
else cartype upper=0;
/*if index(cartype,'G')>0 then cartype basic=1;
else cartype basic=0;
/*if index(cartype,'NA')>0 then cartype NA=1;
else cartype NA=0; */
/*11.children */
if index(children, 'Y')>0 then children yes=1;
else children yes=0;
/*if index(children,'N')>0 then children no=1;
else children no=0; */
if index(children,'NA')>0 then children na=1;
else children na=0;
*run;
/*12. carbuy */
if car buy="New" then car new=1; else car new=0;
/*if car buy="UNKNOWN" then car unk=1; esle car unk=0; */
/*if index(car buy,'New')>0 then car new=1;
else car new=0;
if index(car buy,'NA')>0 then car na=1; else car na=0;
/*if index(car buy, 'UNKNOWN')>0 then car unk=1;
else car unk=0; */
*run;
/*13. crclscod*/
if substr(crclscod, 1, 1) = "A" or substr(crclscod, 1, 1) = "B" or
substr(crclscod, 1, 1) = "C" or substr(crclscod, 1, 1) = "D" or
substr(crclscod, 1, 1) = "E"
or substr(crclscod, 1, 1) = "F"
then crclscod good=1;
else crclscod good=0;
if substr(crclscod, 1, 1) = "G" or substr(crclscod, 1, 1) = "H" or
substr(crclscod,1,1)="I" or substr(crclscod,1,1)="J"
 or substr(crclscod, 1, 1) = "K"
then crclscod satisfactory=1;
 else crclscod satisfactory=0;
if substr(crclscod,1,1)="L" or substr(crclscod,1,1)="M" or
substr(crclscod, 1, 1) = "N" or substr(crclscod, 1, 1) = "O"
 or substr(crclscod, 1, 1) = "P"
 then crclscod avg=1;
else crclscod avg=0;
if substr(crclscod, 1, 1) = "Q" or substr(crclscod, 1, 1) = "R" or
substr(crclscod,1,1)="S" or substr(crclscod,1,1)="T"
 or substr(crclscod,1,1)="U" or substr(crclscod,1,1)="V" or
substr(crclscod, 1, 1) = "W" or substr(crclscod, 1, 1) = "X"
 or substr(crclscod, 1, 1) = "Y" /* or substr(crclscod, 1, 1) = "Z"*/
then crclscod bad=1;
 else crclscod bad=0;
 *run;
 /*14 csa*/
```

```
if substr(csa, 1, 1) = "A" or substr(csa, 1, 1) = "B" or substr(csa, 1, 1) = "C"
 or substr(csa, 1, 1) = "D" or substr(csa, 1, 1) = "E"
 then csa 1=1;
 else csa 1=0;
 if substr(csa, 1, 1) = "F" or substr(csa, 1, 1) = "G" or substr(csa, 1, 1) = "H"
 or substr(csa, 1, 1) = "I" or substr(csa, 1, 1) = "J"
 then csa 2=0;
 else csa 2=1;
 if substr(csa, 1, 1) = "K" or substr(csa, 1, 1) = "L" or substr(csa, 1, 1) = "M"
 or substr(csa, 1, 1) = "N" or substr(csa, 1, 1) = "O"
 then csa 3=1;
 else csa 3=0;
 if substr(csa,1,1) = "P" or substr(csa,1,1) = "S" /*or substr(csa,1,1) = "V"*/
 then csa 4=1;
 else csa 4=0;
 *run;
  /* 15 div type*/
 if index(div type, 'BTH')>0 then div long local=1;
 else div long local=0;
 if index(div type, 'LDD')>0 then div long=1;
 else div long=0;
if index(div type, 'LTD')>0 then div local=1;
 else div local=0;
 /*if index(div type,'NA')>0 then div NA=1;
else div NA=0;
 *run;
/*16.ethnic*/
if index(ethnic,'B')>0 then ethnic asian nonor=1;
else ethnic asian nonor=0;
if index(ethnic,'D')>0 then ethnic south european=1;
else ethnic south european=0;
if index(ethnic,'F')>0 then ethnic french=1;
else ethnic french=0;
if index(ethnic, 'G')>0 then ethnic german=1;
else ethnic german=0;
if index(ethnic,'H')>0 then ethnic hispanic=1;
else ethnic hispanic=0;
if index(ethnic,'I')>0 then ethnic italian=1;
else ethnic italian=0;
if index(ethnic,'J')>0 then ethnic jewish=1;
else ethnic jewish=0;
if index(ethnic,'M')>0 then ethnic misc=1;
```

```
else ethnic misc=0;
if index(ethnic,'N')>0 then ethnic North european=1;
else ethnic North european=0;
if index(ethnic,'0')>0 then ethnic asian=1;
else ethnic asian=0;
if index(ethnic,'P')>0 then ethnic polynesia=1;
else ethnic polynesia=0;
if index(ethnic,'R')>0 then ethnic arab=1;
else ethnic arab=0;
if index(ethnic,'S')>0 then ethnic scot=1;
else ethnic scot=0;
if index(ethnic,'Z')>0 then ethnic afro american=1;
else ethnic afro american=0;
if index(ethnic, 'NA')>0 or index(ethnic, 'U')>0 then ethnic unknown=1;
else ethnic unknown=0;
*run;
/* 17mailordr.*/
if index(mailordr, 'B')>0 then mailordr buy=1;
else mailordr buy=0;
/*if index(mailordr,'NA')>0 then mailordr NA=1;
else mailordr NA=0;
*run;
/*18 wrkwoman*/
if index(wrkwoman, 'Y')>0 then wrkwoman yes=1;
else wrkwoman yes=0;
/*if index(wrkwoman,'NA')>0 then wrkwoman na=1;
else wrkwoman na=0;
*run;
/*19 proptype*/
if index(proptype,'A')>0 then proptype sing family=1;
else proptype sing family=0;
if index(proptype, 'B')>0 then proptype condominium=1;
else proptype condominium=0;
if index(proptype, 'D')>0 then proptype duplex=1;
else proptype duplex=0;
if index(proptype,'E')>0 then proptype_misc=1;
else proptype misc=0;
if index(proptype, 'G')>0 then proptype apartment=1;
else proptype apartment=0;
/*if index(proptype,'M')>0 then proptype mobile=1;
else proptype mobile=0;
*run;
/*20.Area*/
if index(area,'ATLANTIC SOUTH AREA')>0 then area atlantic=1;
else area atlantic=0;
if index(area, 'CALIFORNIA NORTH AREA')>0 then area CAL=1;
else area CAL=0;
if index(area,'CENTRAL/SOUTH TEXAS AREA')>0 then area texas=1;
else area texas=0;
if index(area,'CHICAGO AREA')>0 then area CHICAGO=1;
else area CHICAGO=0;
if index(area, 'DALLAS AREA')>0 then area DALLAS=1;
else area DALLAS=0;
```

```
if index(area, 'DC/MARYLAND/VIRGINIA AREA')>0 then area DC=1;
else area DC=0;
if index(area, 'GREAT LAKES AREA')>0 then area GRTLAKES=1;
else area GRTLAKES=0;
if index(area, 'HOUSTAN AREA')>0 then area HOUSTAN=1;
else area HOUSTAN=0;
if index(area, 'LOS ANGELES AREA')>0 then area LOS=1;
else area LOS=0;
if index(area,'MIDWEST AREA')>0 then area MIDWEST=1;
else area MIDWEST=0;
if index(area,'NEW ENGLAND AREA')>0 then area ENGLAND=1;
else area ENGLAND=0;
if index(area, 'NEW YORK CITY AREA') > 0 then area NEWYORK=1;
else area NEWYORK=0;
if index (area, 'NORTH FLORIDA AREA')>0 then area FLORIDA=1;
else area FLORIDA=0;
if index(area, 'NORTHWEST/ROCKY MOUNTAIN AREA')>0 then area NORTHWEST=1;
else area NORTHWEST=0;
if index(area,'OHIO AREA')>0 then area OHIO=1;
else area OHIO=0;
if index(area, 'PHILADELPHIA AREA')>0 then area phily=1;
else area phily=0;
if index(area, 'SOUTH FLORIDA AREA')>0 then area SOUTHFLORIDA=1;
else area SOUTHFLORIDA=0;
if index(area, 'SOUTHWEST AREA')>0 then area swest=1;
else area swest=0;
if index(area, 'TENNESSEE AREA') > 0 then area tenesse=1;
else area tenesse=0;
*run;
/*21. mailresp*/
if index(mailresp,'R')>0 then mailresp yes=1;
else mailresp yes=0;
/*if index(mailresp,'NA')>0 then mailresp NA=1;
else mailresp NA=0;
*run;
/*22.solflag*/
if index(solflag,'Y')>0 then solflag yes=1;
else solflag yes=0;
/*if index(solflag,'N')>0 then solflag no=1;
else solflag no=0; */
if index(solflag,'NA')>0 then solflag na=1;
else solflag na=0;
run;
/*----TAKING BACKUP-----*/
data churn.telecom dummy bckup;
set churn.telecom dummy;
run;
proc means data=churn.telecom dummy bckup;
run;
```

```
data churn.telecom outlier(drop= income retdays area asl flag car buy cartype
children crclscod csa div type dwllsize dwlltype ethnic
hnd webcap income mailordr mailresp marital numbcars occul prizm social one
proptype refurb new
retdays solflag wrkwoman);
set churn.telecom dummy bckup;
proc means n nmiss data= churn.telecom outlier;
/*----DETECTING OUTLIERS FOR VARIABLES-----
_____
actvsubs
adjqty
adjrev
age1
age2
avg3mou
avgmou
avg3qty
avg6mou
avg6qty
avgrev
callwait Mean
callwait Range
ccrndmou Range
change_mou
comp_vce_Mean
custcare Mean
da Mean
da Range
datovr Mean
datovr Range
drop blk Mean
drop dat Mean
drop vce Mean
drop vce Range
eqpdays
iwylis vce Mean
months
mou mean
mou opkv Range
mou pead Mean
mou Range
opk_dat_Mean
ovrmou Mean
ovrrev_Mean
owylis_vce_Range
plcd vce Mean
recv sms Mean
rev Mean
rev Range
roam Mean
```

```
totcalls
totmrc mean
totrev
uniqsubs
blck dat Mean
proc means data=churn.telecom outlier;
run;
proc univariate data=churn.telecom outlier;
var actvsubs;
output out=percentile1 pctlpts=99.9 pctlpre=percentile;
data churn.telecom outlier;
set churn.telecom outlier;
if actvsubs>5 then delete;
run;
proc univariate data=churn.telecom outlier;
var adjqty;
output out=percentile2 pctlpts=99.9 pctlpre=percentile;
 run;
data churn.telecom outlier;
set churn.telecom outlier;
if adjqty>44228 then delete;
run;
proc univariate data=churn.telecom outlier;
var adjrev;
output out=percentile3 pctlpts=99.9 pctlpre=percentile;
data churn.telecom_outlier;
set churn.telecom outlier;
if adjrev>7982.28 then delete;
run;
proc univariate data=churn.telecom outlier;
var age1;
output out=percentile4 pctlpts=99.9 pctlpre=percentile;
data churn.telecom outlier;
set churn.telecom outlier;
if age1>86 then delete;
run;
proc univariate data=churn.telecom outlier;
var age2;
output out=percentile5 pctlpts=99.9 pctlpre=percentile;
```

```
run;
data churn.telecom outlier;
set churn.telecom outlier;
if age2>90 then delete;
run;
proc univariate data=churn.telecom outlier;
var avg3mou;
output out=percentile6 pctlpts=99.9 pctlpre=percentile;
run;
data churn.telecom_outlier;
set churn.telecom outlier;
if avg3mou>3811 then delete;
run;
proc univariate data=churn.telecom outlier;
var avg6qty;
output out=percentile7 pctlpts=99.9 pctlpre=percentile;
data churn.telecom outlier;
set churn.telecom outlier;
if avg6qty>1616 then delete;
run;
proc univariate data=churn.telecom outlier;
var avgrev;
output out=percentile8 pctlpts=99.9 pctlpre=percentile;
data churn.telecom_outlier;
set churn.telecom outlier;
if avgrev>326.02 then delete;
run;
proc univariate data=churn.telecom outlier;
var callwait Mean;
output out=percentile9 pctlpts=99.9 pctlpre=percentile;
run;
data churn.telecom outlier;
set churn.telecom outlier;
if callwait Mean>62 then delete;
run;
proc univariate data=churn.telecom outlier;
var callwait Range;
output out=percentile10 pctlpts=99.9 pctlpre=percentile;
```

```
run;
data churn.telecom outlier;
set churn.telecom outlier;
if callwait Range>52 then delete;
run;
proc univariate data=churn.telecom outlier;
var ccrndmou Range;
output out=percentile12 pctlpts=99.9 pctlpre=percentile;
run;
data churn.telecom outlier;
set churn.telecom outlier;
if ccrndmou>197 then delete;
run;
proc univariate data=churn.telecom outlier;
var change mou;
output out=percentile14 pctlpts=99.9 pctlpre=percentile;
run;
data churn.telecom outlier;
set churn.telecom outlier;
if change mou>1510.5 then delete;
run;
proc univariate data=churn.telecom outlier;
var custcare Mean;
output out=percentile15 pctlpts=99.9 pctlpre=percentile;
data churn.telecom outlier;
set churn.telecom outlier;
if custcare Mean>49.33 then delete;
run;
proc univariate data=churn.telecom outlier;
var datovr Mean;
output out=percentile16 pctlpts=99.9 pctlpre=percentile;
run;
data churn.telecom outlier;
set churn.telecom outlier;
if datovr Mean>31.2 then delete;
proc univariate data=churn.telecom outlier;
var datovr Range;
output out=percentile17 pctlpts=99.9 pctlpre=percentile;
run;
```

```
data churn.telecom outlier;
set churn.telecom outlier;
if datovr Range>86.97 then delete;
run;
proc univariate data=churn.telecom outlier;
var drop blk Mean;
output out=percentile18 pctlpts=99.9 pctlpre=percentile;
run;
data churn.telecom outlier;
set churn.telecom outlier;
if drop_blk_mean>157 then delete;
run;
proc univariate data=churn.telecom outlier;
var drop dat Mean;
output out=percentile19 pctlpts=99.9 pctlpre=percentile;
data churn.telecom outlier;
set churn.telecom outlier;
if drop dat Mean>6.33 then delete;
run;
proc univariate data=churn.telecom outlier;
var drop vce Mean;
output out=percentile20 pctlpts=99.9 pctlpre=percentile;
run;
data churn.telecom outlier;
set churn.telecom outlier;
if drop vce Mean>63 then delete;
run;
proc univariate data=churn.telecom outlier;
var drop vce Range;
output out=percentile21 pctlpts=99.9 pctlpre=percentile;
run;
data churn.telecom outlier;
set churn.telecom outlier;
if drop vce Range>69 then delete;
run;
proc univariate data=churn.telecom outlier;
var eqpdays;
output out=percentile22 pctlpts=99.9 pctlpre=percentile;
data churn.telecom outlier;
set churn.telecom outlier;
if eqpdays>1520 then delete;
```

```
run;
```

```
proc univariate data=churn.telecom outlier;
var iwylis vce Mean;
output out=percentile23 pctlpts=99.9 pctlpre=percentile;
run;
data churn.telecom outlier;
set churn.telecom outlier;
if iwylis vce Mean>154 then delete;
run;
proc univariate data=churn.telecom outlier;
var months;
output out=percentile24 pctlpts=99.9 pctlpre=percentile;
run;
data churn.telecom outlier;
set churn.telecom outlier;
if months>56 then delete;
run;
proc univariate data=churn.telecom outlier;
var mou mean;
output out=percentile25 pctlpts=99.9 pctlpre=percentile;
run;
data churn.telecom outlier;
set churn.telecom outlier;
if mou mean>3593.5 then delete;
run;
proc univariate data=churn.telecom outlier;
var mou opkv Range;
output out=percentile26 pctlpts=99.9 pctlpre=percentile;
run;
data churn.telecom outlier;
set churn.telecom outlier;
if mou opkv range>1638.39 then delete;
run;
proc univariate data=churn.telecom outlier;
var mou pead mean;
output out=percentile27 pctlpts=99.9 pctlpre=percentile;
run;
data churn.telecom outlier;
set churn.telecom outlier;
if mou pead mean>104.16 then delete;
```

```
run;
proc univariate data=churn.telecom outlier;
var mou Range;
output out=percentile28 pctlpts=99.9 pctlpre=percentile;
data churn.telecom outlier;
set churn.telecom outlier;
if mou range>3648 then delete;
proc univariate data=churn.telecom outlier;
var opk dat Mean;
output out=percentile29 pctlpts=99.9 pctlpre=percentile;
data churn.telecom outlier;
set churn.telecom outlier;
if opk dat mean>58.66 then delete;
run;
proc univariate data=churn.telecom outlier;
var ovrmou mean;
output out=percentile29 pctlpts=99.9 pctlpre=percentile;
run;
data churn.telecom outlier;
set churn.telecom outlier;
if ovrmou mean>1022 then delete;
run;
proc univariate data=churn.telecom outlier;
var ovrrev mean;
output out=percentile30 pctlpts=99.9 pctlpre=percentile;
run;
data churn.telecom outlier;
set churn.telecom outlier;
if ovrrev mean>306.05then delete;
run;
proc univariate data=churn.telecom outlier;
```

output out=percentile30 pctlpts=99.9 pctlpre=percentile;

var owylis vce range;

data churn.telecom outlier;

run;

```
set churn.telecom outlier;
if owylis vce range>219 then delete;
proc univariate data=churn.telecom outlier;
var plcd vce mean;
output out=percentile31 pctlpts=99.9 pctlpre=percentile;
run;
data churn.telecom outlier;
set churn.telecom outlier;
if plcd vce mean>1198.33 then delete;
run;
proc univariate data=churn.telecom outlier;
var recv sms mean;
output out=percentile32 pctlpts=99.9 pctlpre=percentile;
run;
data churn.telecom outlier;
set churn.telecom outlier;
if recv sms mean>10.66then delete;
run;
proc univariate data=churn.telecom outlier;
var rev mean;
output out=percentile33 pctlpts=99.9 pctlpre=percentile;
run;
data churn.telecom outlier;
set churn.telecom outlier;
if rev mean>447.78then delete;
run;
proc univariate data=churn.telecom outlier;
output out=percentile34 pctlpts=99.9 pctlpre=percentile;
run;
data churn.telecom outlier;
set churn.telecom outlier;
if rev Range>686.37 then delete;
run;
proc univariate data=churn.telecom outlier;
var roam mean;
output out=percentile35 pctlpts=99.9 pctlpre=percentile;
run;
data churn.telecom outlier;
set churn.telecom outlier;
```

```
if roam mean>81.60 then delete;
run;
proc univariate data=churn.telecom outlier;
var totcalls;
output out=percentile36 pctlpts=99.9 pctlpre=percentile;
data churn.telecom outlier;
set churn.telecom outlier;
if totcalls>41466 then delete;
run;
proc univariate data=churn.telecom outlier;
var totmrc mean;
output out=percentile37 pctlpts=99.9 pctlpre=percentile;
run;
data churn.telecom outlier;
set churn.telecom outlier;
if totmrc mean>199.99 then delete;
run;
proc univariate data=churn.telecom outlier;
var totrev;
output out=percentile38 pctlpts=99.9 pctlpre=percentile;
data churn.telecom outlier;
set churn.telecom outlier;
if totrev>8025.11 then delete;
run;
proc univariate data=churn.telecom outlier;
var uniqsubs;
output out=percentile39 pctlpts=99.9 pctlpre=percentile;
run;
data churn.telecom outlier;
set churn.telecom_outlier;
if uniqsubs>7 then delete;
run;
proc univariate data=churn.telecom outlier;
var blck dat mean;
output out=percentile40 pctlpts=99.9 pctlpre=percentile;
run;
```

```
data churn.telecom outlier;
set churn.telecom outlier;
if blck dat mean>4then delete;
run;
data churn.telecom outlier bckup;
set churn.telecom outlier;
run;
/*----END OF DATA
PREPRATION STEP-----
______
starts-----
/* dividing data into training and validation data set using proc
surveyselect*/
proc surveyselect data=churn.telecom outlier
method=SRS out=SAMP1 samprate=0.5 outall;
run;
data churn.train churn.validate;
set SAMP1;
if selected=0 then output churn.train;
else if selected=1 then output churn.validate;
run;
proc contents data=churn.train;
run;
proc freq data=train;
tables churn;
run;
```

```
proc freq data=validate;
tables churn;
run;
/* 1st iteration including all variables*/
proc logistic data=churn.train descending;
model churn =actvsubs
adjmou
adjqty
adjrev
age1
age2
area CAL
area CHICAGO
area DALLAS
area DC
area ENGLAND
 area FLORIDA
 area_GRTLAKES
 /*area HOUSTAN*/
area LOS
 area MIDWEST
 area NEWYORK
 area NORTHWEST
 area_OHIO
 area_SOUTHFLORIDA
 area_atlantic
 area phily
area swest
 area tenesse
 area texas
 asl flag y
 avg3mou
 avg3qty
 /*avg6mou*/
avg6qty
 avgmou
 avgqty
 avgrev
blck dat Mean
 callwait Mean
 callwait_Range
 car_new
 /*cartype_NA*/
 /*cartype basic*/
 cartype_luxury
 cartype_mini
 cartype regular
 cartype suv
 cartype_truck
 cartype upper
 change mou
```

```
children na
 children yes
 city_area
comp_vce_Mean
 crclscod avg
 crclscod bad
 crclscod good
 crclscod satisfactory
 csa 1
 csa_2
 csa_3
 csa 4
 custcare_Mean
 da_Mean
 da Range
 datovr Mean
 datovr Range
 div local
 div long
 div long local
drop_blk_Mean
 drop_dat_Mean
drop_vce_Mean
drop_vce_Range
dwll multiple
dwll single
dwllsize 1
dwllsize 2
dwllsize 3
dwllsize 4
 dwllsize_5
dwllsize 6
dwllsize 7
 dwllsize 8
dwllsize 9
 dwllsize J
 dwllsize K
{\tt dwllsize\_L}
dwllsize M
 dwllsize N
 dwllsize NA
 eqpdays
 ethnic North european
ethnic_afro_american
 ethnic arab
 ethnic asian
 ethnic asian nonor
 ethnic_french
 ethnic_german
 ethnic_hispanic
 ethnic_italian
 ethnic_jewish
 ethnic misc
 ethnic polynesia
ethnic scot
 ethnic south european
 ethnic unknown
```

```
forgntvl
 handset new
 hnd na
 hnd price
 hnd webcapable
 iwylis vce Mean
 mailordr buy
 mailresp yes
 marital inferred
 marital_inferred_single
 marital_status
 marital unknown
models
months
mou Mean
mou Range
mou opkv Range
mou pead Mean
mtrcycle
 numbcars 1
 numbcars 2
 occu admin
 occu clercial
occu_craftsman
 occu farmer
 occu homemaker
 occu military
 occu religious
 occu retires
 occu_sales
 occu_self
 occu_student
 occu tech
 opk dat Mean
ovrmou Mean
 ovrrev Mean
 owylis_vce_Range
 plcd vce Mean
 proptype apartment
 proptype condominium
 proptype_duplex
 proptype_misc
 proptype_sing_family
 recv sms Mean
 rev Mean
 rev Range
 roam Mean
 rural_area
 solflag_na
 solflag_yes
 suburban area
 totcalls
 totmrc Mean
 totrev
 town area
 truck
 uniqsubs
```

```
urban area
 wrkwoman yes;
output out=model_1 predicted=pred_prob;
run;
/* 2ND Iteration using selection= backward option*/
proc logistic data=churn.train descending;
model churn =actvsubs
adjmou
adjqty
adjrev
age1
age2
area_CAL
area CHICAGO
 area DALLAS
 area DC
area ENGLAND
area FLORIDA
 area GRTLAKES
 /*area HOUSTAN*/
area LOS
 area MIDWEST
 area_NEWYORK
 area NORTHWEST
 area OHIO
 area SOUTHFLORIDA
 area atlantic
 area phily
 area_swest
 area_tenesse
 area_texas
 asl_flag_y
 avg3mou
 avg3qty
 avg6mou
 avg6qty
 /*avgmou*/
 avgqty
 avgrev
 blck dat Mean
 {\tt callwait\_Mean}
 callwait Range
 car new
 /*cartype NA*/
 /*cartype basic*/
 cartype luxury
 cartype_mini
 cartype_regular
 cartype_suv
 cartype_truck
 cartype_upper
 change mou
 children na
 children yes
 city area
 comp vce Mean
```

```
crclscod avg
 crclscod bad
 crclscod_good
crclscod satisfactory
 csa 1
 csa 2
 csa 3
 csa 4
 custcare Mean
da Mean
 da Range
datovr Mean
 datovr Range
 div_local
div long
 div long local
drop blk Mean
 drop dat Mean
 drop vce Mean
drop vce Range
dwll multiple
 dwll single
 dwllsize 1
dwllsize_2
dwllsize 3
 dwllsize 4
 dwllsize 5
 dwllsize 6
dwllsize 7
dwllsize 8
dwllsize_9
 dwllsize J
dwllsize K
dwllsize L
 dwllsize M
 dwllsize N
 dwllsize NA
 eqpdays
 ethnic North european
ethnic afro american
 ethnic arab
 ethnic_asian
 ethnic_asian_nonor
 ethnic_french
 ethnic_german
 ethnic hispanic
 ethnic italian
 ethnic_jewish
 ethnic_misc
 ethnic_polynesia
 ethnic_scot
 ethnic_south_european
 ethnic unknown
 forgntvl
 handset new
hnd na
hnd price
```

```
hnd webcapable
 iwylis vce Mean
 mailordr buy
 mailresp_yes
marital inferred
 marital inferred single
 marital status
 marital unknown
models
months
mou Mean
mou Range
mou opkv Range
mou_pead_Mean
mtrcycle
 numbcars 1
 numbcars 2
 occu admin
 occu clercial
occu craftsman
 occu farmer
 occu homemaker
 occu military
 occu_religious
 occu retires
 occu sales
 occu self
 occu student
 occu tech
 opk_dat_Mean
ovrmou_Mean
 ovrrev_Mean
 owylis vce Range
 plcd vce Mean
 proptype apartment
 proptype condominium
 proptype duplex
 proptype misc
 proptype sing family
 recv sms Mean
 rev Mean
 rev_Range
 roam Mean
 rural area
 solflag na
 solflag yes
 suburban area
 totcalls
 totmrc_Mean
 totrev
 town area
 truck
 uniqsubs
 urban area
 wrkwoman yes /selection=backward;
output out=model 2 predicted=prediction model;
 run;
```

```
/* 3rd ITERATION using selection=forward; option*/
proc logistic data=churn.train descending;
model churn =actvsubs
adjmou
adjqty
adjrev
age1
age2
area_CAL
area CHICAGO
area DALLAS
area DC
area ENGLAND
area FLORIDA
area_GRTLAKES
 /*area HOUSTAN*/
area LOS
area MIDWEST
area NEWYORK
area NORTHWEST
area OHIO
 {\tt area\_SOUTHFLORIDA}
area_atlantic
area_phily
area swest
area tenesse
area texas
 asl flag y
 avg3mou
 avg3qty
avg6mou
 avg6qty
/*avgmou*/
avgqty
 avgrev
blck_dat_Mean
 callwait Mean
 callwait Range
 car new
 /*cartype_NA*/
 /*cartype_basic*/
 cartype luxury
 cartype_mini
 cartype_regular
 cartype suv
 cartype truck
 cartype upper
 change mou
```

children na

```
children yes
 city_area
 comp_vce_Mean
 crclscod avg
crclscod bad
 crclscod good
crclscod satisfactory
csa 1
csa_2
 csa_3
 csa 4
custcare Mean
 da Mean
 da_Range
 datovr Mean
datovr Range
 div local
 div long
 div long local
drop blk Mean
drop_dat_Mean
drop vce Mean
drop_vce_Range
dwll_multiple
 dwll single
dwllsize 1
 dwllsize 2
dwllsize 3
dwllsize 4
 dwllsize 5
dwllsize_6
 dwllsize_7
 dwllsize 8
 dwllsize 9
 dwllsize J
dwllsize K
 dwllsize L
dwllsize M
dwllsize N
 dwllsize NA
 eqpdays
 ethnic_North_european
 ethnic afro american
 ethnic_arab
 ethnic asian
 ethnic asian nonor
 ethnic french
 ethnic_german
 ethnic_hispanic
 ethnic_italian
 ethnic_jewish
 ethnic misc
 ethnic polynesia
 ethnic scot
 ethnic south european
 ethnic unknown
 forgntvl
```

```
handset new
 hnd na
 hnd_price
 hnd webcapable
 iwylis vce Mean
 mailordr buy
 mailresp yes
 marital inferred
 marital_inferred_single
 marital_status
 marital_unknown
 models
months
mou Mean
mou Range
 mou opkv Range
mou pead Mean
mtrcycle
 numbcars 1
 numbcars 2
 occu admin
 occu clercial
occu craftsman
 occu_farmer
 occu homemaker
 occu military
 occu religious
 occu retires
 occu sales
 occu_self
 occu_student
 occu_tech
 opk dat Mean
ovrmou Mean
 ovrrev Mean
 owylis vce Range
 plcd vce Mean
 proptype_apartment
 proptype condominium
 proptype_duplex
 proptype_misc
 proptype_sing_family
 recv sms Mean
 rev_Mean
 rev_Range
 roam Mean
 rural area
 solflag_na
 solflag_yes
 suburban area
 totcalls
 totmrc Mean
 totrev
 town area
 truck
 uniqsubs
 urban_area
```

```
wrkwoman yes/ selection=forward;
output out=model 3 predicted=prediction model;
 /*final iteration*/
proc logistic data=churn.train descending;
model churn =
actvsubs
 adjrev
age1
 area NORTHWEST
 area SOUTHFLORIDA
 asl_flag_y
 /*area HOUSTAN*/
 avgqty
 avg3mou
 avg6mou
 avgrev
 cartype_luxury
 change mou
 children yes
 comp_vce_mean
 blck_dat_Mean
  city area
  crclscod good
 crclscod satisfactory
 datovr Mean
 drop dat Mean
 div_local
 div_long
 drop_blk_mean
 drop vce Range
 dwll multiple
 dwllsize 8
 eqpdays
 ethnic North european
 ethnic afro american
 ethnic arab
 ethnic asian
 ethnic asian nonor
 ethnic french
 ethnic_german
 ethnic_hispanic
 ethnic italian
 ethnic jewish
 ethnic misc
 ethnic_polynesia
 ethnic_scot
 ethnic_south_european
 ethnic_unknown
 handset new
 hnd price
 mailordr buy
 {\tt marital\_inferred}
```

```
marital inferred single
 marital status
marital unknown
models
months
mou range
occu self
ovrmou Mean
 occu sales
owylis_vce_Range
proptype sing family
rev Mean
rev_range
 roam mean
 rural area
 suburban area
 totcalls
totmrc Mean
uniqsubs;
output out=model 4 predicted=prediction model;
run;
/* performing logistic regression on validation data set by further removing
all nonessential variables*/
proc logistic data=churn.validate descending;
model churn =
actvsubs
adjrev
age1
area NORTHWEST
area CHICAGO
 area SOUTHFLORIDA
 asl flag y
 /*area HOUSTAN*/
 avg3mou
 avg6mou
 /*avgmou*/
 change mou
 children yes
 children na
 csa 1
 csa 2
 csa_3
 csa_4
 comp_vce_mean
 div_long
 drop blk mean
 drop vce mean
 dwll multiple
 eqpdays
 ethnic North european
 ethnic arab
```

```
ethnic asian
 ethnic_asian_nonor
 ethnic_french
 ethnic_german
 ethnic hispanic
 ethnic italian
 ethnic jewish
 ethnic_scot
 ethnic south european
 ethnic_unknown
 handset_new
 hnd price
 hnd na
 hnd_webcapable
 mailresp yes
 marital unknown
 mou opkv range
 mailordr buy
models
months
mou mean
mou range
numbcars_2
 ovrrev mean
ovrmou Mean
roam mean
rural area
 town area
 suburban area
 totcalls
 totmrc Mean
uniqsubs/selection=backward;
output out=model 5 predicted=prediction model;
 run;
proc logistic data=churn.validate descending;
model churn =
adjmou
adjrev
actvsubs
 age1
 area NORTHWEST
 area SOUTHFLORIDA
 asl_flag_y
 /*area_HOUSTAN*/
 avg3mou
 avg6mou
 change mou
 children yes
 children na
 comp vce mean
 div_long
```

```
drop vce mean
 eqpdays
 ethnic North european
 ethnic arab
 ethnic asian
 ethnic asian nonor
 ethnic french
 ethnic_german
 ethnic_hispanic
 ethnic italian
 ethnic jewish
 ethnic_scot
 ethnic south european
 ethnic unknown
 handset new
hnd price
 mailresp_yes
models
months
mou range
ovrmou Mean
 rural_area
 totmrc Mean
uniqsubs/selection=backward;
output out=model_5 predicted=prediction_model;
 run;
 /* final iteration on validation data set after removing non essential
varaibles found through validation dataset */
 proc logistic data=churn.train descending;
model churn =
actvsubs
age1
area_NORTHWEST
 area_SOUTHFLORIDA
 asl flag y
 /*area HOUSTAN*/
 avg3mou
 avg6mou
 change mou
 children yes
 comp vce mean
```

```
div long
 drop vce mean
 eqpdays
 ethnic North european
 ethnic arab
 ethnic asian
 ethnic asian nonor
 ethnic french
 ethnic german
 ethnic_hispanic
 ethnic_italian
 ethnic jewish
 ethnic scot
 ethnic_south_european
 ethnic unknown
handset new
hnd price
mailresp yes
models
months
mou range
ovrmou Mean
totmrc Mean
uniqsubs/selection=backward;
output out=churn.final model predicted=prediction model;
 run;
 /*sorting final dataset*/
 proc sort data= churn.final model out=churn.sorted model;
by descending prediction_model;
 run;
proc rank data=churn.sorted model out=churn.model decile
groups=10
ties=mean;
var prediction model;
ranks decile;
run;
/*
proc export data=churn.model decile
outfile="Y:\FINAL CASE STUDY CHURN\liftchart.csv"
 dbms=csv replace;
 run;*/
/* scoring dataset creating confusion matrix*/
proc logistic data=churn.train descending;
model churn =
actvsubs
 age1
```

```
area NORTHWEST
 area SOUTHFLORIDA
 asl_flag_y
 /*area HOUSTAN*/
 avg3mou
 avq6mou
 change mou
 children yes
 comp_vce_mean
 div_long
 drop vce mean
 eqpdays
 ethnic_North_european
 ethnic arab
 ethnic asian
 ethnic asian nonor
 ethnic french
 ethnic german
 ethnic hispanic
 ethnic italian
 ethnic jewish
 ethnic scot
 ethnic_south_european
 ethnic unknown
handset new
hnd price
mailresp_yes
models
months
mou_range
ovrmou_Mean
totmrc Mean
uniqsubs;
output out=churn.confusion matrix predicted=prediction model;
score data=churn.validate out=churn.score;
 run;
proc freq data=churn.score;
tables F_churn*I_churn/norow nocum nopercent nocol;
run;
                                                          VALIDATION OF MODEL
proc logistic data=churn.validate descending;
model churn =
actvsubs
age1
 area NORTHWEST
```

```
area SOUTHFLORIDA
 asl flag y
 /*area HOUSTAN*/
 avg3mou
 avq6mou
 change mou
 children yes
 comp vce mean
 div long
 drop_vce_mean
 eqpdays
 ethnic North european
 ethnic_arab
 ethnic asian
 ethnic asian nonor
 ethnic french
 ethnic german
 ethnic hispanic
 ethnic italian
ethnic jewish
 ethnic scot
 ethnic south european
 ethnic_unknown
handset new
hnd price
mailresp yes
models
months
mou range
ovrmou_Mean
totmrc Mean
uniqsubs;
output out=churn.validate model predicted=prediction model;
run;
proc sort data=churn.validate model out=churn.validate sorted model;
by descending prediction model;
run;
proc rank data=churn.validate sorted model out=churn.validate decile
groups=10
ties=mean;
var prediction model;
ranks decile;
run;
/*proc export data=churn.validate_decile
outfile="Y:\FINAL_CASE STUDY CHURN\validation liftchart.csv"
dbms=csv replace;
run;*/
proc logistic data=churn.validate descending;
model churn =
```

```
actvsubs
 age1
 area NORTHWEST
 area SOUTHFLORIDA
 asl flag y
 /*area HOUSTAN*/
 avg3mou
 avg6mou
 change mou
 children_yes
 comp vce mean
 div long
 drop_vce_mean
 eqpdays
 ethnic North european
 ethnic arab
 ethnic asian
 ethnic asian nonor
 ethnic french
ethnic german
ethnic hispanic
 ethnic_italian
 ethnic_jewish
 ethnic scot
 ethnic south european
 ethnic unknown
handset new
hnd price
mailresp yes
models
months
mou range
ovrmou Mean
totmrc Mean
uniqsubs;
output out=churn.validate confusion predicted=prediction model;
score data=churn.train out= churn.score valid;
run;
proc freq data=churn.score_valid;
tables F churn*I churn/nocum norow nopercent nocol;
run;
/*solution to qus no 5 AND FOR ALL STRATEGIES*/
proc univariate data=churn.train;
var avgrev;
run;
data churn.top revenue customers;
```

```
set churn.telecom outlier;
if avgrev>67.86;
proc print data= churn.top revenue customers;
PROC FREQ DATA= churn.top revenue customers;
tables churn;
run;
data churn.low revenue customers;
set churn.telecom outlier;
if avgrev<67.86;</pre>
run;
proc freq data=churn.low revenue customers;
tables churn;
run;
proc means data=churn.top_revenue_customers;
var avgmou;
run;
proc means data= churn.low revenue customers;
var avgmou;
proc means data=churn.top revenue customers;
var ovrmou mean;
proc means data=churn.top revenue customers;
var drop vce mean;
proc means data=churn.low revenue customers;
var drop vce mean;
proc freq data=churn.top revenue customers;
tables drop vce mean*area texas/norow nocol nopercent;
proc means data=churn.top revenue customers;
var age1 age2;
proc means data=churn.low revenue customers;
var age1 age2;
run;
proc means data=churn.top revenue customers;
var eqpdays handset new;
run;
```