



#### Customer Churn

Prediction
Using Machine Learning

Group:09/BHAVANS VIVEKANADA DEGREE COLLEGE

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#### **Abstract**

The project aims to develop a robust model for predicting customer churn in various industries, enabling organizations to implement proactive retention strategies.

This study investigates a range of machine learning algorithms, including Logistic Regression, Decision Trees, Random Forests, K-Nearest Neighbors, Support Vector Machines, Bagging, and Boosting techniques, to effectively identify patterns and factors contributing to customer attrition. By leveraging these predictive models, businesses can enhance customer satisfaction and loyalty, leading to improved operational efficiency and long-term profitability.

#### **Objective**

To find the best machine learning model for predicting customer churn so companies can take steps to keep their customers happy and reduce the number of people who leave. This goal aims to help businesses understand why customers leave and take action to improve their experience and loyalty.

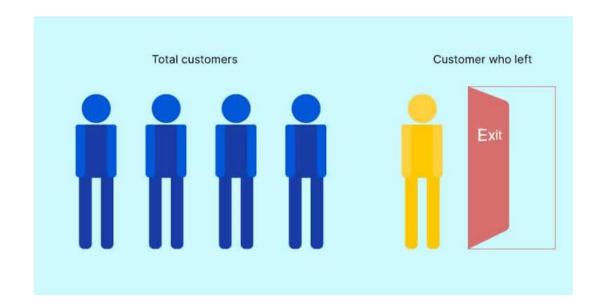
#### CONTENT

- Introduction
- Literature Review
- Data Pre-Processing
- Exploratory Data Analysis
- Data Modeling & Evaluation
- Summary
- Appendix



#### **INTRODUCTION**

- Customer churn prediction is about figuring out
- which customers are likely to stop using a company's products or services. By analysing data, businesses can identify patterns or signs that suggest a customer might leave
- New tools, like data analytics, help companies retain customers.
   Machine learning predicts churn, revealing why customers leave.
   This insight aids strategy building, boosts satisfaction, and builds bonds, ultimately reducing customer churn.



# Data Pre-Processing



# Data

**Data Set:** Our data set contains a total of 3150 rows of data, each row representing a customer, bear information for 13 columns.

**Source:** <a href="https://archive.ics.uci.edu/dataset/563/iranian+churn+dataset">https://archive.ics.uci.edu/dataset/563/iranian+churn+dataset</a>

#### Variables:

1	Continuous variables	*
2	Call Failutres	
3	Complains	
4	subscription Length	
5	Charge Amount	
6	Seconds of Use	
7	Frequency of use	
8	Frequency of SMS	
9	Distinct Called Numbers	
10	Age Group	
11	Tariff Plan	
12	Status	
13	Age	
14	Customer Value	
15	Churn	

	Call Failure	Complains	Subscription Length	Charge Amount	Seconds of Use	Frequency of use	Frequency of SMS	Distinct Called Numbers	Age Group	Tariff Plan	Status	Age	Customer Value	Churn
0	8	0	38	0	4370	71	5	17	3	1	1	30	197.640	0
1	0	0	39	0	318	5	7	4	2	1	2	25	46.035	0
2	10	0	37	0	2453	60	359	24	3	1	1	30	1536.520	0
3	10	0	38	0	4198	66	1	35	1	1	1	15	240.020	0
4	3	0	38	0	2393	58	2	33	1	1	1	15	145.805	0
		***					***							
3145	21	0	19	2	6697	147	92	44	2	2	1	25	721.980	0
3146	17	0	17	1	9237	177	80	42	5	1	1	55	261.210	0
3147	13	0	18	4	3157	51	38	21	3	1	1	30	280.320	0
3148	7	0	11	2	4695	46	222	12	3	1	1	30	1077.640	0
3149	8	1	11	2	1792	25	7	9	3	1	1	30	100.680	1

# **Data Cleaning**

- Removing Columns: Since the dataset had multiple entries for the same dates with different times, we decided to remove the "date" column to simplify the data.
- Next, we looked for any missing values and checked how many unique values each column had.
- We also transformed the categorical variables by labeling them. If you have a "Shift Type" variable indicating "Day" or "Night," you can create two columns: "Day Shift" and "Night Shift." For day shifts, set "Day Shift" to 1 and "Night Shift" to 0; for night shifts, set "Night Shift" to 1 and "Day Shift" to 0.



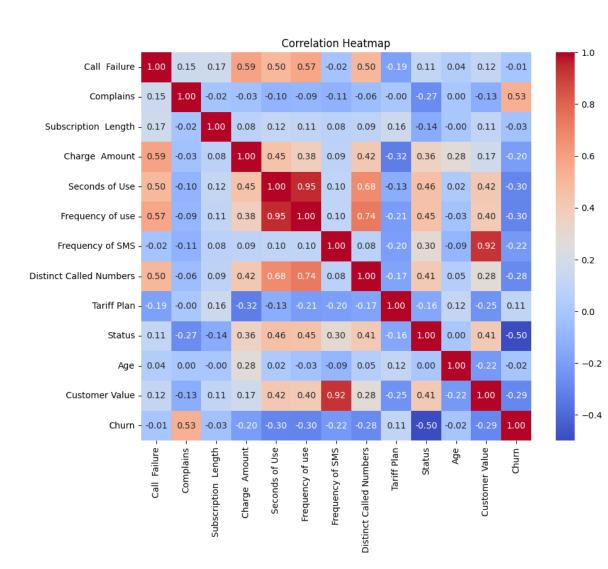
- To perform dummy variable encoding we divided the data into two sets
  - continuous data
  - categorical data
- But this data set contains only continuous variable so we can ignore the "Dummy Variable Encoding"

#	Column	Non-Null Count	Dtype	
	Call Failume	2450 non null		
0	Call Failure	3150 non-null	int64	
1	Complains	3150 non-null	int64	
2	Subscription Length	3150 non-null	int64	
3	Charge Amount	3150 non-null	int64	
4	Seconds of Use	3150 non-null	int64	
5	Frequency of use	3150 non-null	int64	
6	Frequency of SMS	3150 non-null	int64	
7	Distinct Called Numbers	3150 non-null	int64	
8	Age Group	3150 non-null	int64	
9	Tariff Plan	3150 non-null	int64	
10	Status	3150 non-null	int64	
11	Age	3150 non-null	int64	
12	Customer Value	3150 non-null	float64	
13	Churn	3150 non-null	int64	
dtypes: float64(1), int64(13)				

# Exploratory Data Analysis



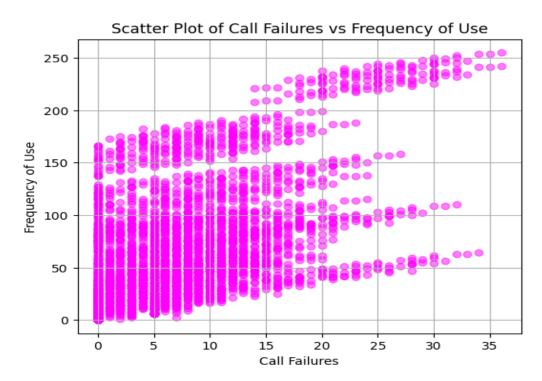
#### **Correlation Matrix**



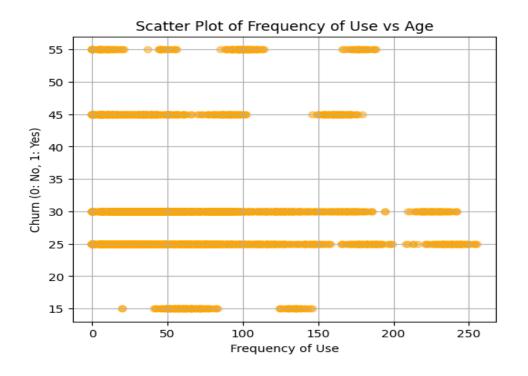
#### As we can see terms like

- Call Failure
- Charge Amount
- Seconds of Use
- Frequency of Use
- Distinct Called Numbers
- Complaints
- Churn
- Customer Value are most positively Correlated

#### **Scatter Plot**

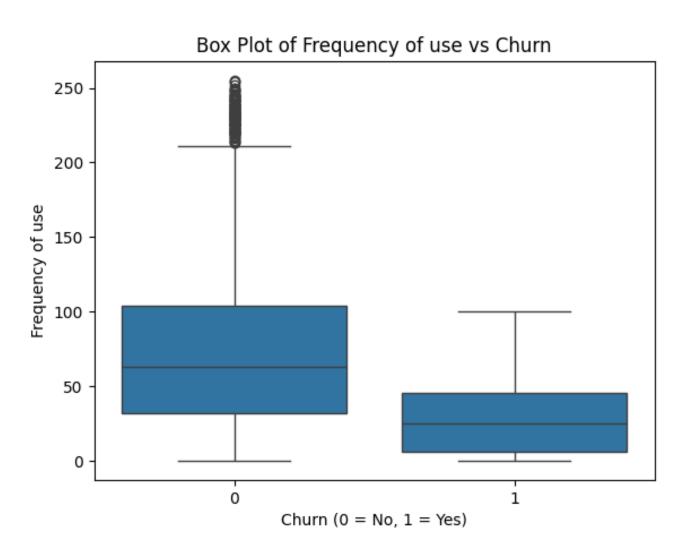


 The scatter plot illustrates the relationship between the frequency of use of a service and the number of call failures. The data suggests a positive correlation, indicating that as the frequency of use increases, the number of call failures also tends to rise.



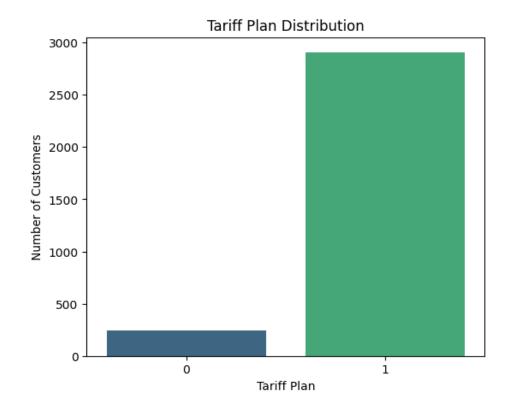
- This graph shows the relationship between how often customers use a service and their age.
- There doesn't seem to be a clear relationship between age and how often customers use the service.

#### **Box Plot**

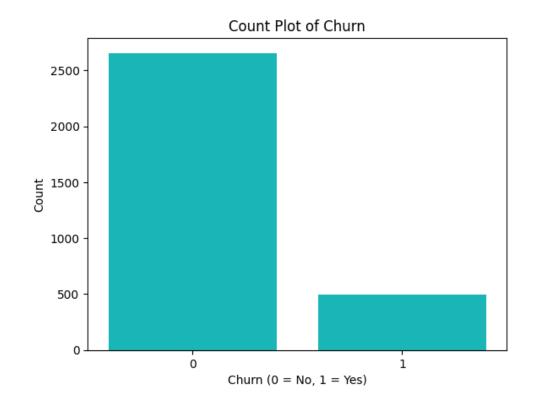


- This graph shows how often customers used a service before they stopped using it (churned).
- Customers who stopped using the service (churned) used it less often than those who kept using it.

#### **Count Plot**

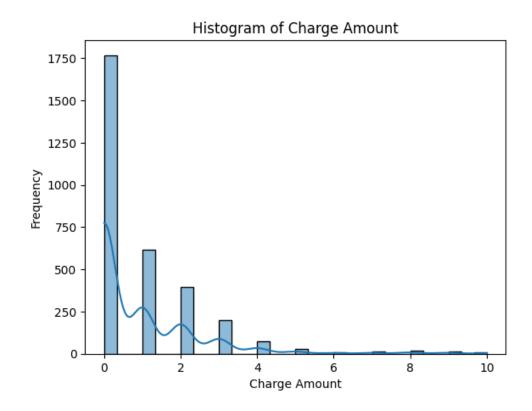


- This graph shows how many customers chose each of two different tariff plans.
- Most customers (around 3000) chose Tariff Plan 1, while only a few (around 300) chose Tariff Plan 0.

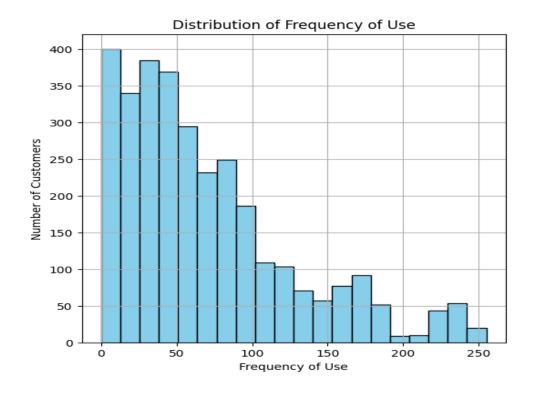


- This graph shows how many customers churned (stopped using the service) and how many did not.
- Most customers (around 2500) did not churn, while only a few (around 500) did.

#### Histogram



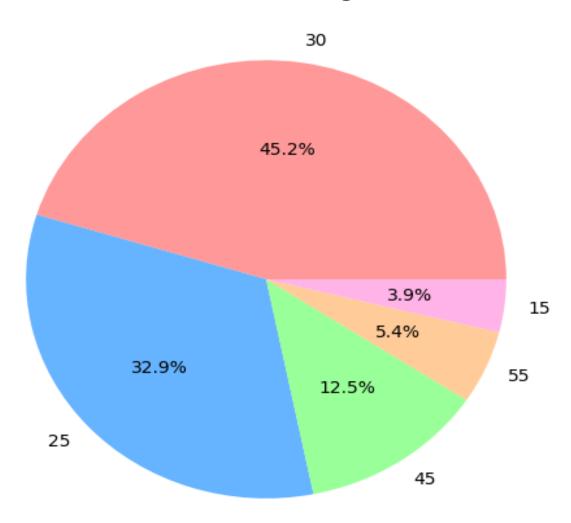
- This graph shows how often different charge amounts occur.
- Most charges are small (around 0), and the number of charges decreases as the amount gets larger.



- This graph shows how often customers use a service.
- Most customers use the service a small number of times (around 0-50), with the number of customers decreasing as the frequency of use increases.

#### **Pie Chart**

#### Distribution of Age



- This graph shows the distribution of ages.
- Most people are 30 years old, followed by 25, 45, 55, and 15.

### **Multicollinearity Check**

Variables with the greatest variance inflation factor (VIF > 4) were removed

	variables	VIF
0	Call Failure	6.1
1	Complains	1.2
2	Subscription Length	15.1
3	Charge Amount	4.4
4	Seconds of Use	38.1
5	Frequency of use	44.2
6	Frequency of SMS	47.9
7	Distinct Called Numbers	7.0
8	Tariff Plan	15.5
9	Status	7.0
10	Age	16.6
11	Customer Value	77.0

Customer Value was removed

Frequency of use was removed

Tariff Plan was removed

#### **Multicollinearity Check**

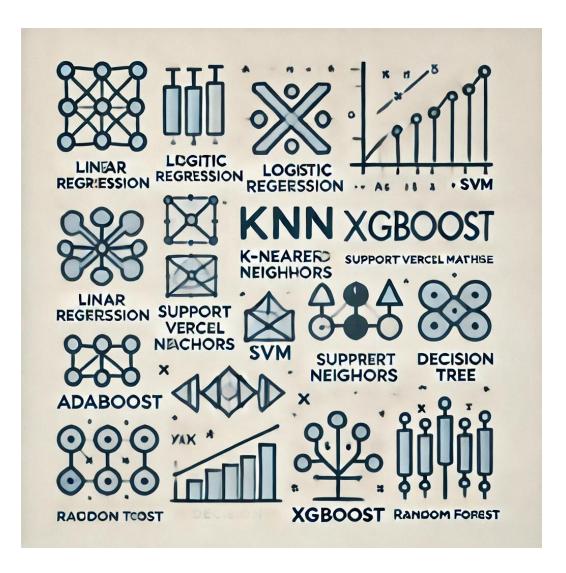
Variables with the greatest variance inflation factor (VIF > 4) were removed

	variables	VIF		variables	VIF		variables	VIF		variables	VIF
0	Call Failure	4.4	0	Call Failure	4.1	0	Call Failure	3.7	0	Call Failure	3.7
1	Complains	1.2	1	Complains	1.2	1	Complains	1.2	1	Complains	1.2
2	Subscription Length	9.6	2	Charge Amount	2.3	2	Charge Amount	2.3	2	Charge Amount	2.3
3	Charge Amount	2.5	3	Seconds of Use	4.7	3	Seconds of Use	3.7	3	Seconds of Use	3.0
4	Seconds of Use	4.7	4	Frequency of SMS	1.6	4	Frequency of SMS	1.6	4	Frequency of SMS	1.4
5	Frequency of SMS	1.6	5	Distinct Called Numbers	5.9	5	Status	5.3	5	Age	2.6
<b>6</b> I	Distinct Called Numbers	6.0	6	Status	5.7	6	Age	4.0			
7	Status	5.7	7	Age	4.1						
8	Age	9.1									

Subscription Length was removed Distinct Called Numbers was removed

Status was removed

# Machine Learning Algorithms



#### **ML** Algorithms

- Logistic regression
- K-Nearest Neighbors(KNN)
- Decision Tree
- Random Forest
- AdaBoost
- XGBoost
- Support Vector Machine(SVM)
- ANN



## **Logistic Regression**

Train test	Model – 1 Accuracy	Model – 2 Accuracy
60-40	<mark>0.842</mark>	<mark>0.892</mark>
65-35	<mark>0.842</mark>	0.877
70-30	0.833	0.891
75-25	0.823	0.885
80-20	0.831	0.880



Train test	Model – 1 Accuracy	Model – 2 Accuracy
60-40	<mark>0.849</mark>	<mark>0.850</mark>
65-35	0.848	<mark>0.850</mark>
70-30	0.838	0.842
75-25	0.831	0.833
80-20	0.839	0.841

#### **Decision Tree**

Train test	Model – 1 Accuracy	Model – 2 Accuracy
60-40	0.933	0.910
65-35	0.932	0.909
70-30	0.925	0.893
75-25	0.932	<mark>0.911</mark>
80-20	<mark>0.936</mark>	0.907

#### **Random Forest**

Train test	Model – 1 Accuracy	Model – 2 Accuracy
60-40	<mark>94</mark>	<mark>92</mark>
65-35	93	<mark>92</mark>
70-30	<mark>94</mark>	91
75-25	<mark>94</mark>	91
80-20	93	91

#### Adaboost

Train Test	Model – 1 Accuracy	Model – 2 Accuracy
60-40	<mark>93</mark>	<mark>95</mark>
65-35	92	90
70-30	92	89
75-25	91	89
80-20	92	89

### **Extreme Gradient Boosting**

Train Test	Model – 1 Accuracy	Model – 2 Accuracy
60-40	<mark>95</mark>	<mark>92</mark>
65-35	<mark>95</mark>	<mark>92</mark>
70-30	<mark>95</mark>	<mark>92</mark>
75-25	<mark>95</mark>	<mark>92</mark>
80-20	94	<mark>92</mark>



Train test	Model – 1 Accuracy	Model – 2 Accuracy
60-40	<mark>0.892</mark>	0.885
65-35	0.892	0.884
70-30	0.888	0.882
75-25	0.888	0.880
80-20	0.871	<mark>0.861</mark>



Train test	Architecture	Epochs	Model – 1 Accuracy	Model-2 Accuracy
60-40	50-45-34-24-1	350	90.54	84.80
60-40	53-47-43-36-1	250	87.41	85.28
60-40	55-45-35-25-1	450	89.37	85.68
65-35	40-40-30-17-1	100	89.20	83.39
65-35	60-56-36-27-1	250	92.79	84.67
65-35	62-58-35-17-1	200	90.73	87.81
70-30	54-39-30-17-1	250	93.11	89.60
70-30	64-67-43-37-1	200	91.08	87.89
70-30	56-59-46-17-1	250	93.08	88.77
75-25	64-54-50-37-1	200	<mark>93.30</mark>	88.20
75-25	69-58-34-27-1	250	92.63	<mark>90.18</mark>
75-25	56-58-30-27-1	200	92.99	87.99
80-20	57-53-45-36-1	250	90.11	87.55
80-20	57-52-43-38-1	250	90.14	89.03
80-20	59-56-43-36-1	250	88.73	87.03

## **Algorithms Comparision**

#### Model-1

Algorithms	Accuracy
Logistic Regression	84.2
K-Nearest Neighbors(KNN)	84.9
Decision Tree	93.6
Random Forest	94
Ada Boost	93
XG Boost	<mark>95</mark>
Support Vector Machine(SVM)	89.2
ANN	93.30

## **Algorithms Comparision**

#### Model-2

Algorithms	Accuracy
Logistic Regression	89.20
K-Nearest Neighbors(KNN)	85
Decision Tree	91.10
Random Forest	92
Ada Boost	<mark>95</mark>
XG Boost	92
Support Vector Machine(SVM)	86.10
ANN	90.18

#### **SUMMARY**

In this project, a 60-40 train-test split yielded the best model performance for AdaBoost and XGBoost, both achieving an accuracy of 95% in Model-1 and Model-2, respectively. Random Forest and ANN also demonstrated strong performance with accuracies above 90% across the splits. Logistic Regression, KNN, and SVM showed moderate accuracy, indicating these algorithms might not be the best fit for the dataset.

These findings suggest that ensemble methods like XGBoost and AdaBoost are highly effective for this task, leveraging their ability to handle complex relationships and variations in data.

#### **Future Scope**

Add relevant features (e.g., external influences or behavioral data) to enhance prediction accuracy.

Reduce multicollinearity using PCA and identify/remove outliers to improve model stability.

Optimize parameters like tree count and max depth for Random Forest, boosting rounds for XGBoost, and learning rates for AdaBoost.

Utilize advanced neural network architectures to capture complex relationships, especially with expanded datasets.

Incorporate diverse and larger datasets to improve model generalizability and robustness.

#### **Work Distribution**

NAME	WORK DONE
VAISHNAVI SHIVALINGALA	Collecting Data and Performing Data pre- processing
SIDHHARTHA.S	Exploratory Data Analysis
NAGA SRAVANTHI.T	ML Algorithms





Google colab

# THANK YOU

Done By:

Naga Sravanthi T Vaishnavi Shivalingala S.Siddhartha

# **APPENDIX**

### **Loading the Dataset**

data= pd.read\_csv('iranian+churn+dataset (1).zip')
data

	Call Failure	Complains	Subscription Length	Charge Amount	Seconds of Use	Frequency of use	Frequency of SMS	Distinct Called Numbers	Age Group	Tariff Plan	Status	Age	Customer Value	Churn
0	8	0	38	0	4370	71	5	17	3	1	1	30	197.640	0
1	0	0	39	0	318	5	7	4	2	1	2	25	46.035	0
2	10	0	37	0	2453	60	359	24	3	1	1	30	1536.520	0
3	10	0	38	0	4198	66	1	35	1	1	1	15	240.020	0
4	3	0	38	0	2393	58	2	33	1	1	1	15	145.805	0
3145	21	0	19	2	6697	147	92	44	2	2	1	25	721.980	0
3146	17	0	17	1	9237	177	80	42	5	1	1	55	261.210	0
3147	13	0	18	4	3157	51	38	21	3	1	1	30	280.320	0
3148	7	0	11	2	4695	46	222	12	3	1	1	30	1077.640	0
3149	8	1	11	2	1792	25	7	9	3	1	1	30	100.680	1

3150 rows × 14 columns

#### **Null Values**

data.isna().sum()

	0
Call Failure	0
Complains	0
Subscription Length	0
Charge Amount	0
Seconds of Use	0
Frequency of use	0
Frequency of SMS	0
Distinct Called Numbers	0
Age Group	0
Tariff Plan	0
Status	0
Age	0
Customer Value	0
Churn	0

dtype: int64

# Checking for the data type

```
data.info()
<class 'pandas.core.frame.DataFrame'>
RangeIndex: 3150 entries, 0 to 3149
Data columns (total 14 columns):
    Column
                             Non-Null Count Dtype
    Call Failure
                             3150 non-null int64
    Complains
                             3150 non-null int64
    Subscription Length
                            3150 non-null int64
    Charge Amount
                            3150 non-null
                                            int64
    Seconds of Use
                                            int64
                             3150 non-null
    Frequency of use
                                            int64
                             3150 non-null
    Frequency of SMS
                             3150 non-null
                                            int64
    Distinct Called Numbers 3150 non-null
                                            int64
    Age Group
                             3150 non-null
                                            int64
    Tariff Plan
                             3150 non-null
                                            int64
    Status
                            3150 non-null
                                            int64
                            3150 non-null
                                            int64
11 Age
12 Customer Value
                                            float64
                             3150 non-null
13 Churn
                             3150 non-null
                                            int64
dtypes: float64(1), int64(13)
memory usage: 344.7 KB
```

# Describing the data

	Call Failure	Complains	Subscription Length	Charge Amount	Seconds of Use	Frequency of use	Frequency of SMS	Distinct Called Numbers	Tariff Plan	Status	Age	Customer Value	Churn
count	3150.000000	3150.000000	3150.000000	3150.000000	3150.000000	3150.000000	3150.000000	3150.000000	3150.000000	3150.000000	3150.000000	3150.000000	3150.000000
mean	7.627937	0.076508	32.541905	0.942857	4472.459683	69.460635	73.174921	23.509841	0.922222	0.751746	30.998413	470.972916	0.157143
std	7.263886	0.265851	8.573482	1.521072	4197.908687	57.413308	112.237560	17.217337	0.267864	0.432069	8.831095	517.015433	0.363993
min	0.000000	0.000000	3.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	15.000000	0.000000	0.000000
25%	1.000000	0.000000	30.000000	0.000000	1391.250000	27.000000	6.000000	10.000000	1.000000	1.000000	25.000000	113.801250	0.000000
50%	6.000000	0.000000	35.000000	0.000000	2990.000000	54.000000	21.000000	21.000000	1.000000	1.000000	30.000000	228.480000	0.000000
<b>75</b> %	12.000000	0.000000	38.000000	1.000000	6478.250000	95.000000	87.000000	34.000000	1.000000	1.000000	30.000000	788.388750	0.000000
max	36.000000	1.000000	47.000000	10.000000	17090.000000	255.000000	522.000000	97.000000	1.000000	1.000000	55.000000	2165.280000	1.000000

# Dividing the data

```
X=data.drop(['Churn'],axis=1)
print(X)
y = data['Churn']
print(y)
      Call Failure Complains Subscription Length Charge
                                                                 Amount
0
                                                     38
                   0
                                                     39
                  10
                                                     37
                 10
                                                     38
                   3
                                                     38
                 . . .
                                                    . . .
                                                                     . . .
                  21
3145
                                                     19
                 17
3146
                                                     17
3147
                 13
                                                     18
3148
                                                     11
3149
                                                     11
      Seconds of Use Frequency of use Frequency of SMS \
                 4370
0
                                      71
                  318
                                       5
2
                 2453
                                      60
                                                        359
                 4198
                                      66
                 2393
                                      58
4
                                                          2
                  . . .
                                                        . . .
3145
                 6697
                                     147
                                                         92
                 9237
                                     177
3146
                                                         80
3147
                 3157
                                                         38
                                      51
                                      46
                                                        222
3148
                 4695
```

```
Distinct Called Numbers Tariff Plan Status Age
                                                         Customer Value
                            17
                                                      30
                                                                  197,640
0
                                                      25
                                                                   46.035
                                                      30
                                                                 1536,520
                            24
                                                                  240.020
                            35
                                                      15
                            33
                                                      15
                                                                  145.805
. . .
                                                      25
3145
                            44
                                          0
                                                                  721.980
                                                                  261.210
                            42
                                                       55
3146
                                                                  280.320
3147
                            21
                                                       30
                            12
                                                                 1077.640
3148
                                                       30
3149
                            9
                                                       30
                                                                  100.680
```

Name: Churn, Length: 3150, dtype: int64

#### **Box Plot**

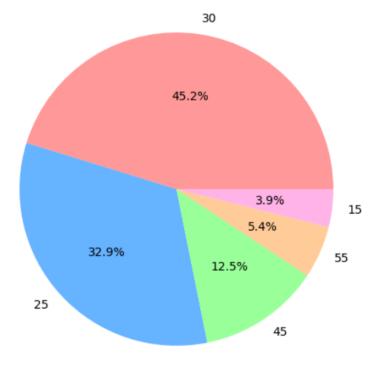
## **Pie Chart**

```
sns.boxplot(x='Churn', y='Frequency of use', data=data)
plt.xlabel('Churn (0 = No, 1 = Yes)')
plt.ylabel('Frequency of use')
plt.title('Box Plot of Frequency of use vs Churn')
plt.show()
```

```
Age_counts = data['Age'].value_counts()
plt.figure(figsize=(6, 6))
plt.pie(Age_counts, labels=Age_counts.index, autopct='%1.1f%%',colors = ['#ff9999','#66b3ff','#99ff99','#ffcc99','#ffb3e6'])
plt.title('Distribution of Age')
plt.show()
```

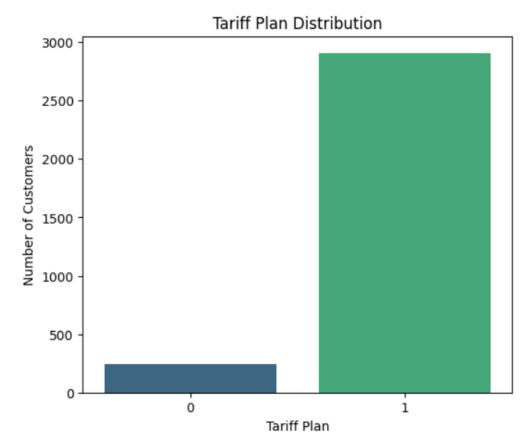
## Box Plot of Frequency of use vs Churn 250 200 Frequency of use 150 50 Churn (0 = No, 1 = Yes)

#### Distribution of Age

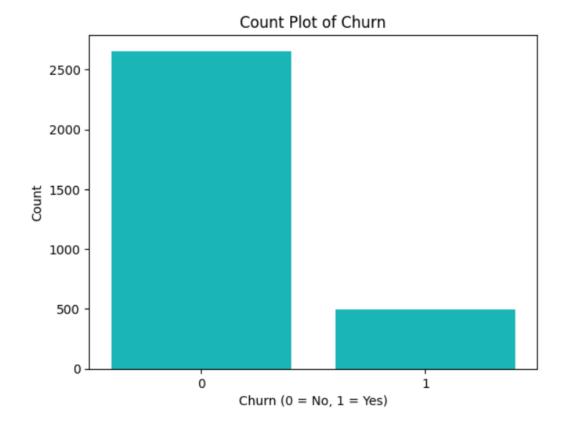


#### **Count Plot**

```
plt.figure(figsize=(6,5))
sns.countplot(x='Tariff Plan', data=data, palette='viridis')
plt.title('Tariff Plan Distribution')
plt.xlabel('Tariff Plan')
plt.ylabel('Number of Customers')
plt.show()
```



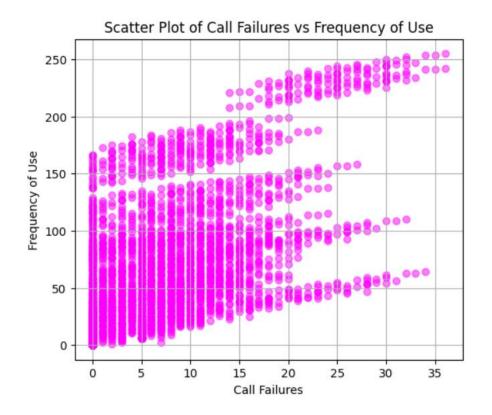
```
sns.countplot(x='Churn', data=data,color='darkturquoise')
plt.xlabel('Churn (0 = No, 1 = Yes)')
plt.ylabel('Count')
plt.title('Count Plot of Churn')
plt.show()
```

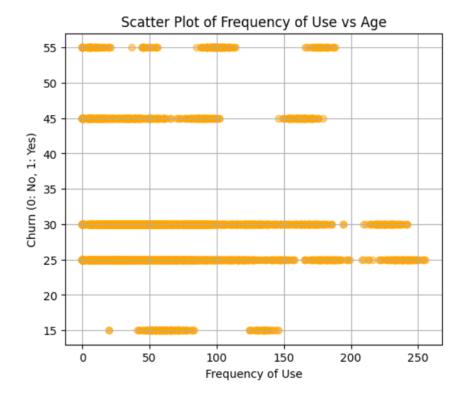


### **Scatter Plot**

```
plt.figure(figsize=(6, 5))
plt.scatter(data['Call Failure'], data['Frequency of use'], alpha=0.5, color='magenta')
plt.title('Scatter Plot of Call Failures vs Frequency of Use')
plt.xlabel('Call Failures')
plt.ylabel('Frequency of Use')
plt.grid(True)
plt.show()
```

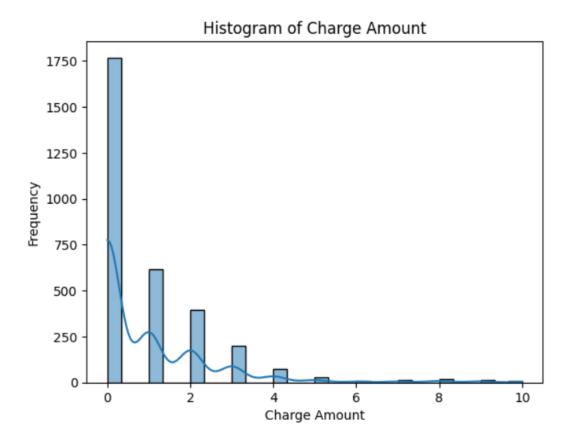
```
plt.figure(figsize=(6,5))
plt.scatter(data['Frequency of use'], data['Age'], alpha=0.5, color='orange')
plt.title('Scatter Plot of Frequency of Use vs Age')
plt.xlabel('Frequency of Use')
plt.ylabel('Churn (0: No, 1: Yes)')
plt.grid(True)
plt.show()
```



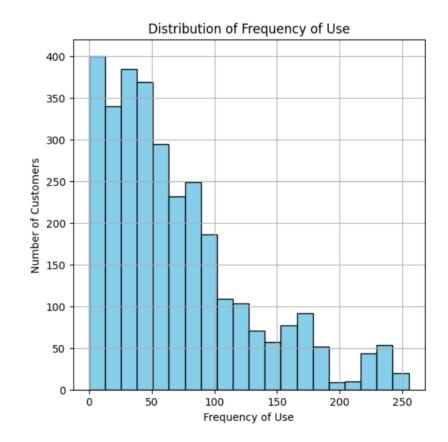


# Histogram

```
sns.histplot(data['Charge Amount'], bins=30, kde=True)
plt.xlabel('Charge Amount')
plt.ylabel('Frequency')
plt.title('Histogram of Charge Amount')
plt.show()
```

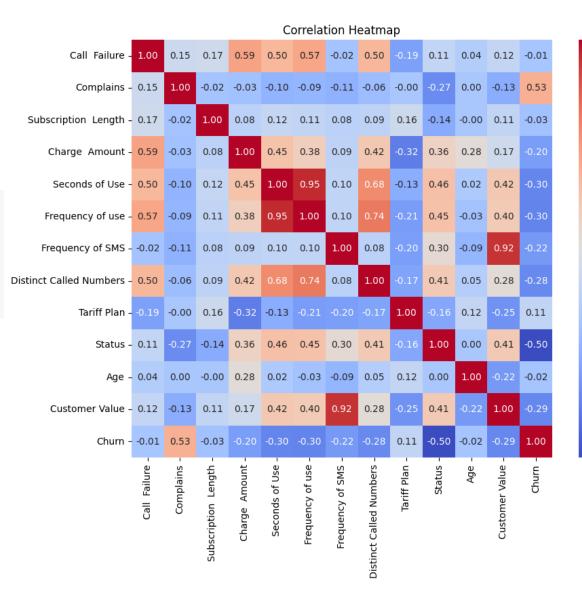


```
plt.figure(figsize=(6,6))
plt.hist(data['Frequency of use'], bins=20, color='skyblue', edgecolor='black')
plt.title('Distribution of Frequency of Use')
plt.xlabel('Frequency of Use')
plt.ylabel('Number of Customers')
plt.grid(True)
plt.show()
```



#### **Correlation Matrix**

```
corr_matrix = data.corr()
plt.figure(figsize=(10, 8))
sns.heatmap(corr_matrix, annot=True, cmap='coolwarm', fmt='.2f')
plt.title('Correlation Heatmap')
plt.show()
```



- 0.8

- 0.6

- 0.4

- 0.2

- 0.0

# **Before Multicollinearity**

Applying different training and testing data splits:

- **60-40**
- **65-35**
- **70-30**
- **T** 75-25
- **80-20**

```
from sklearn.model_selection import train_test_split
X_train1, X_test1, y_train1, y_test1 = train_test_split(X, y, test_size=0.40, random_state=42)
X_train2, X_test2, y_train2, y_test2 = train_test_split(X, y, test_size=0.35, random_state=42)
X_train3, X_test3, y_train3, y_test3 = train_test_split(X, y, test_size=0.30, random_state=42)
X_train4, X_test4, y_train4, y_test4 = train_test_split(X, y, test_size=0.25, random_state=42)
X_train5, X_test5, y_train5, y_test5 = train_test_split(X, y, test_size=0.20, random_state=42)
```

# **Logistic Regression**

```
from sklearn.linear_model import LogisticRegression
logreg = LogisticRegression(C=1e9)

logreg.fit(X_train1, y_train1)
predictions1 = logreg.predict(X_test1)
print(predictions1)

[0 0 0 ... 0 0 0]
/usr/local/lib/python3.10/dist-packages/sklearn/linear_model/_logistic.py:469: ConvergenceWarning
STOP: TOTAL NO. of ITERATIONS REACHED LIMIT.

Increase the number of iterations (max_iter) or scale the data as shown in:
    https://scikit-learn.org/stable/modules/preprocessing.html
Please also refer to the documentation for alternative solver options:
    https://scikit-learn.org/stable/modules/linear_model.html#logistic-regression
    n_iter_i = _check_optimize_result(
```

0.8428571428571429

from sklearn.metrics import classification\_report
print(classification\_report(y\_test1,predictions1))

from sklearn.metrics import accuracy score

accuracy score(y test1,predictions1)

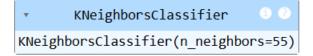
	precision	recall	f1-score	support
0 1	0.86 0.55	0.97 0.18	0.91 0.27	1055 205
accuracy macro avg weighted avg	0.71 0.81	0.57 0.84	0.84 0.59 0.81	1260 1260 1260

# K-nearest neighbors(KNN)

 $from \ sklearn.neighbors \ import \ KNeighbors Classifier$ 

model=KNeighborsClassifier(n neighbors=55)

model.fit(X\_train1, y\_train1)



```
y_pred1 = model.predict(X_test1)
y_pred1
```

array([0, 0, 0, ..., 0, 0, 0])

knn = pd.DataFrame({'Predicted':y\_pred1,'Actual':y\_test1})
knn

Predicted	Actual
0	0
0	0
0	0
0	0
0	0
0	0
0	0
0	0
0	0
0	0
	0 0 0 0 0 0 0 0 0

1260 rows × 2 columns

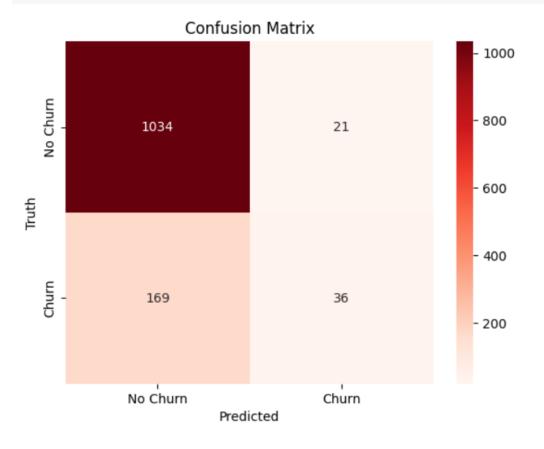
#### **Evaluation Metric**

```
[ ] from sklearn.metrics import accuracy_score
    accuracy_score(y_test1,y_pred1)
```

•• 0.8492063492063492

```
[ ] from sklearn.metrics import confusion_matrix
    cm = confusion_matrix(y_test1,y_pred1)
    cm
```

```
sns.heatmap(cm, annot=True, fmt="d", cmap="Reds", xticklabels=["No Churn", "Churn"], yticklabels=["No Churn", "Churn"])
plt.title('Confusion Matrix')
plt.xlabel("Predicted")
plt.ylabel("Truth")
plt.show()
```



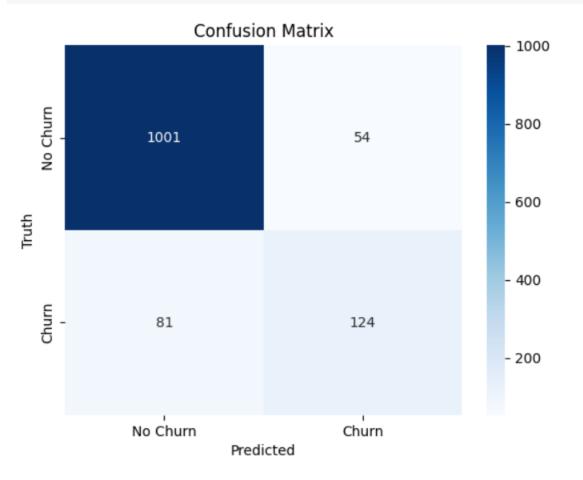
from sklearn.metrics import classification\_report
classification\_rep = classification\_report(y\_test1, y\_pred1)
print(classification\_rep)

	precision	recall	f1-score	support
0 1	0.86 0.63	0.98 0.18	0.92 0.27	1055 205
accuracy macro avg weighted avg	0.75 0.82	0.58 0.85	0.85 0.60 0.81	1260 1260 1260

# Support Vector Machines(SVM)

```
svm = pd.DataFrame({'Predicted':y_pred1,'Actual':y_test1})
from sklearn.svm import SVC
                                           SVM
                                                 Predicted Actual
model1 = SVC(kernel='linear')
                                                                                  from sklearn.metrics import accuracy score
                                           2965
                                                                                  accuracy score(y test1,y pred1)
model1.fit(X_train1, y train1)
                                            969
                                                         0
                                                                 0
                                                                                  0.8928571428571429
                                           1385
                                                                 0
        SVC
SVC(kernel='linear')
                                           1233
                                                         0
                                                                 0
                                                                                  from sklearn.metrics import confusion_matrix
                                                                                  cm = confusion matrix(y test1,y pred1)
                                           2996
y pred1 = model1.predict(X test1)
                                                                                  array([[1001, 54],
                                           1406
                                                                                         [ 81, 124]])
y pred1
                                            269
                                                         0
                                                                 0
array([0, 0, 0, ..., 0, 0, 0])
                                            629
                                           1033
                                                                 0
                                            286
                                           1260 rows × 2 columns
```

```
sns.heatmap(cm, annot=True, fmt="d", cmap="Blues", xticklabels=["No Churn", "Churn"], yticklabels=["No Churn", "Churn"])
plt.title('Confusion Matrix')
plt.xlabel("Predicted")
plt.ylabel("Truth")
plt.show()
```



from sklearn.metrics import classification\_report
classification\_rep = classification\_report(y\_test1, y\_pred1)
print(classification\_rep)

	precision	recall	f1-score	support
0 1	0.93 0.70	0.95 0.60	0.94 0.65	1055 205
accuracy macro avg weighted avg	0.81 0.89	0.78 0.89	0.89 0.79 0.89	1260 1260 1260

#### **Decision Trees**

```
from sklearn.tree import DecisionTreeClassifier
from sklearn.metrics import accuracy score
from sklearn import metrics
clf = DecisionTreeClassifier()
clf = clf.fit(X train1,y train1)
y pred1 = clf.predict(X test1)
print("Accuracy:", metrics.accuracy score(y test1, y pred1))
Accuracy: 0.9341269841269841
# Create Decision Tree classifer object
clf = DecisionTreeClassifier(criterion="entropy", max depth=3)
# Train Decision Tree Classifer
clf = clf.fit(X train1,y train1)
#Predict the response for test dataset
y pred1 = clf.predict(X test1)
# Model Accuracy, how often is the classifier correct?
print("Accuracy:", metrics.accuracy score(y test1, y pred1))
```

Accuracy: 0.8952380952380953

```
clf = DecisionTreeClassifier(criterion="gini", max depth=2)
# Train Decision Tree Classifer
clf = clf.fit(X train1,y train1)
#Predict the response for test dataset
y pred1 = clf.predict(X test1)
# Model Accuracy, how often is the classifier correct?
print("Accuracy:",metrics.accuracy score(y test1, y pred1))
Accuracy: 0.8952380952380953
         clf = DecisionTreeClassifier(criterion="gini", max depth=6)
         # Train Decision Tree Classifer
         clf = clf.fit(X train1,y train1)
         #Predict the response for test dataset
         y pred1 = clf.predict(X test1)
         # Model Accuracy, how often is the classifier correct?
         print("Accuracy:", metrics.accuracy score(y test1, y pred1))
         Accuracy: 0.916666666666666
#Predict the response for train dataset
y pred train1 = clf.predict(X train1)
# Model Accuracy, how often is the classifier correct?
print("Accuracy:",metrics.accuracy score(y train1, y pred train1))
```

Accuracy: 0.9497354497354498

#### **Random Forest**

```
from sklearn.tree import DecisionTreeClassifier
from sklearn.ensemble import RandomForestClassifier
from sklearn.metrics import classification_report, confusion_matrix
from sklearn.tree import plot_tree
from matplotlib import pyplot as plt
```

```
rf = RandomForestClassifier()
rf.fit(X train1, y train1)
    RandomForestClassifier
RandomForestClassifier()
y pred1 = rf.predict(X test1)
print(classification report(y test1, y pred1))
print(confusion matrix(y test1, y pred1))
             precision
                          recall f1-score
                                             support
                  0.95
                            0.98
                                      0.97
                                                1055
                  0.90
                            0.76
                                      0.82
                                                 205
                                      0.95
                                                1260
    accuracy
                  0.92
                            0.87
                                      0.89
                                                1260
  macro avg
weighted avg
                  0.94
                            0.95
                                      0.94
                                                1260
[[1037 18]
[ 50 155]]
```

## **Adaboost**

```
from sklearn.ensemble import AdaBoostClassifier
from sklearn.metrics import accuracy_score, classification_report
model = AdaBoostClassifier(n estimators=50, random state=42)
model.fit(X train1, y train1)
y_pred1 = model.predict(X_test1)
accuracy = accuracy score(y test1, y pred1)
print(f"Accuracy: {accuracy:.2f}")
print(classification report(y test1, y pred1))
/usr/local/lib/python3.10/dist-packages/sklearn/ensemble/ weight boosting.py:527: FutureWarning: The SAMME.R algorithm (the default) is deprecated and will be removed in 1.6.
 warnings.warn(
Accuracy: 0.93
                          recall f1-score support
             precision
          0
                   0.95
                            0.96
                                      0.96
                                                1055
          1
                  0.80
                                      0.77
                            0.75
                                                  205
                                                1260
                                      0.93
    accuracy
                                      0.87
                                                1260
                  0.88
                            0.86
   macro avg
weighted avg
                  0.93
                                      0.93
                            0.93
                                                1260
```

#### **XGBoost**

```
import xgboost as xgb
model = xgb.XGBClassifier()
model = model.fit(X_train1, y_train1)
y_pred1 = model.predict(X_test1)
y_pred1
xg = pd.DataFrame({'Predicted': y_pred1, 'Actual': y_test1})
xg
accuracy1 = accuracy_score(y_test1, y_pred1)
print(f"Set 5 Accuracy: {accuracy1:.2f}")
print(classification_report(y_test1, y_pred1))
Set 5 Accuracy: 0.95
                          recall f1-score
              precision
                                             support
                   0.96
                            0.98
                                      0.97
           0
                                                1055
                   0.90
                            0.78
                                      0.84
                                                 205
    accuracy
                                      0.95
                                                1260
                   0.93
                            0.88
                                      0.90
                                                1260
   macro avg
weighted avg
                   0.95
                            0.95
                                      0.95
                                                1260
```



```
import tensorflow as tf
tf.random.set seed(42)
# STEP1: Creating the model
model= tf.keras.Sequential([tf.keras.layers.Dense(50, activation='relu'),
                            tf.keras.layers.Dense(45, activation='relu'),
                            tf.keras.layers.Dense(34, activation='relu'),
                            tf.keras.layers.Dense(24, activation='relu'),
                            tf.keras.layers.Dense(1, activation='sigmoid')
# STEP2: Compiling the model
model.compile(loss= tf.keras.losses.binary crossentropy,
              optimizer= tf.keras.optimizers.Adam(learning_rate=0.001),
              metrics= [tf.keras.metrics.BinaryAccuracy(name='accuracy'),
                        tf.keras.metrics.Precision(name='precision'),
                        tf.keras.metrics.Recall(name='a=recall')
# STEP1: Fit the model
history= model.fit(X train1, y train1, epochs= 350, verbose=0)
```

```
model.evaluate(X_test1, y_test1)
                           0s 1ms/step - a=recall: 0.6102 - accuracy: 0.9054 - loss: 0.3690 - precision: 0.7867
[0.38202184438705444,
 0.9142857193946838,
 0.7975460290908813,
 0.6341463327407837]
pd.DataFrame(history.history).plot()
<Axes: >
                                                            a=recall
                                                             accuracy
 25
                                                            loss
                                                            precision
 20
 15
 10
               50
                       100
                                150
                                        200
                                                 250
                                                         300
                                                                  350
```

# **Multicollinearity Check**

```
from statsmodels.stats.outliers_influence import variance_inflation_factor
def calc vif(X):
    vif = pd.DataFrame()
    vif["variables"] = X.columns
    vif["VIF"] = [variance inflation factor(X.values, i).round(1) for i in range(X.shape[1])]
    return(vif)
calc vif(X)
                                 calc vif(X.drop('Customer Value', axis=1))
                                                                            calc vif(X.drop(['Customer Value', 'Frequency of use'], axis=1))
              variables
                        VIF
             Call Failure
                         6.1
0
                                               variables VIF
                                                                                            variables VIF
              Complains
1
                         1.2
                                               Call Failure
                                  0
                                                           6.1
                                                                                           Call Failure
                                                                                                        4.4
       Subscription Length 15.4
2
                                                Complains 1.2
                                  1
                                                                                            Complains
3
          Charge Amount
                                         Subscription Length 13.3
                                  2
                                                                                    Subscription Length 13.1
                                                                             2
          Seconds of Use 38.4
                                            Charge Amount 4.2
                                  3
                                                                             3
                                                                                        Charge Amount
                                                                                                        3.0
5
         Frequency of use 44.3
                                            Seconds of Use 29.3
                                                                                       Seconds of Use
        Frequency of SMS 46.2
                                          Frequency of use 44.3
                                                                                     Frequency of SMS
   Distinct Called Numbers
                                  6
                                          Frequency of SMS 1.7
                                                                             6 Distinct Called Numbers
                                                                                                        5.9
               Tariff Plan
                        15.8
8
                                  7 Distinct Called Numbers 6.9
                                                                                             Tariff Plan 14.3
                  Status
                         6.9
                                                Tariff Plan 15.8
                                  8
10
                        16.8
                                                   Status 6.5
                   Age
                                  9
                                                                                                Status
                                                                                                        6.0
11
          Customer Value 74.2
                                                     Age 12.5
                                                                                                      12.2
                                                                                                  Age
```

```
calc vif(X.drop(['Customer Value', 'Frequency of use', 'Tariff Plan'], axis=1))
               variables VIF
                                                  calc_vif(X.drop(['Customer Value', 'Frequency of use', 'Tariff Plan', 'Subscription Length', 'Distinct Called Numbers'], axis=1))
               Call Failure 4.4
 0
                                                            variables VIF
                Complains 1.2
                                                            Call Failure 3.8
                                                   0
 2
        Subscription Length 9.4
                                                   1
                                                            Complains 1.2
 3
           Charge Amount 2.5
                                                        Charge Amount 2.3
           Seconds of Use 4.7
                                                        Seconds of Use 3.7
 5
         Frequency of SMS
                                                  4 Frequency of SMS 1.6
    Distinct Called Numbers
                          5.9
                                                   5
                                                                Status 5.3
                   Status
                          5.7
                                                   6
                                                                  Age 4.0
 8
                     Age 9.1
calc_vif(X.drop(['Customer Value', 'Frequency of use', 'Tariff Plan', 'Subscription Length'], axis=1))
             variables VIF
                                               calc vif(X.drop(['Customer Value', 'Frequency of use', 'Tariff Plan', 'Subscription Length', 'Distinct Called Numbers', 'Status'], axis=1))
             Call Failure 4.1
0
                                                         variables VIF
             Complains 1.2
                                                0
                                                         Call Failure 3.7
          Charge Amount 2.3
2
                                                1
                                                         Complains 1.2
          Seconds of Use 4.7
3
                                                     Charge Amount 2.3
                                                2
        Frequency of SMS 1.6
                                                     Seconds of Use 3.0
                                                3
5 Distinct Called Numbers 5.9
```

4 Frequency of SMS 1.4

Age 2.6

5

5.6

4.1

Status

Age

6

7

# After Multicollinearity

Applying different training and testing data splits:

- **60-40**
- **65-35**
- **70-30**
- **T** 75-25
- **80-20**

```
X_nomulti = X.drop(['Customer Value', 'Frequency of use', 'Tariff Plan', 'Subscription Length', 'Distinct Called Numbers', 'Status'], axis=1)

X_train1_nomulti, X_test1_nomulti, y_train1, y_test1 = train_test_split(X_nomulti, y, test_size=0.40, random_state=42)

X_train2_nomulti, X_test2_nomulti, y_train2, y_test2 = train_test_split(X_nomulti, y, test_size=0.35, random_state=42)

X_train3_nomulti, X_test3_nomulti, y_train3, y_test3 = train_test_split(X_nomulti, y, test_size=0.30, random_state=42)

X_train4_nomulti, X_test4_nomulti, y_train4, y_test4 = train_test_split(X_nomulti, y, test_size=0.25, random_state=42)

X_train5_nomulti, X_test5_nomulti, y_train5, y_test5 = train_test_split(X_nomulti, y, test_size=0.20, random_state=42)
```

# Logistic Regression:

```
from sklearn.metrics import confusion matrix
z=confusion matrix(y test nomulti1, predictions1)
array([[1045,
               10],
      [ 125,
               8011)
from sklearn.metrics import accuracy score
accuracy_score(y_test_nomulti1,predictions1)
0.8928571428571429
from sklearn.metrics import classification report
print(classification_report(y_test_nomulti1,predictions1))
             precision
                          recall f1-score
                                              support
                  0.89
                            0.99
                                       0.94
                                                 1055
          1
                            0.39
                                       0.54
                  0.89
                                                  205
```

0.69

0.89

0.89

0.89

accuracy

macro avg weighted avg 0.89

0.74

0.87

1260

1260

1260

# K-nearest neighbors(KNN)

knn = pd.DataFrame({'Predicted':y\_pred\_nomulti1,'Actual':y\_test\_nomulti1})
knn

from sklearn.neighbors import KNeighborsClassifier

model=KNeighborsClassifier(n\_neighbors=55)

model.fit(X\_train\_nomulti1, y\_train\_nomulti1)

KNeighborsClassifier
KNeighborsClassifier(n\_neighbors=55)

y\_pred\_nomulti1 = model.predict(X\_test\_nomulti1)
y\_pred\_nomulti1

array([0, 0, 0, ..., 0, 0, 0])

2965	0	0
969	0	0
1385	0	0
1233	0	0
2996	0	0
1406	0	0
269	0	0
629	0	0
1033	0	0

Predicted Actual

1260 rows x 2 columns

286

#### **Evaluation Metric**

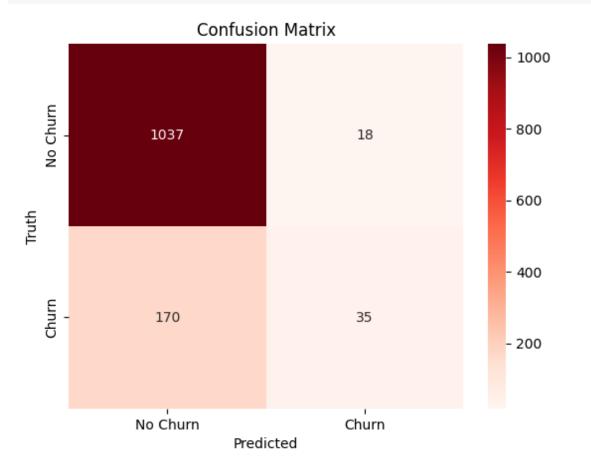
```
[ ] from sklearn.metrics import accuracy_score
    accuracy_score(y_test_nomulti1,y_pred_nomulti1)
```

0.8507936507936508

```
[ ] from sklearn.metrics import confusion_matrix
  cm = confusion_matrix(y_test_nomulti1,y_pred_nomulti1)
  cm
```

```
→ array([[1037, 18], [ 170, 35]])
```

```
sns.heatmap(cm, annot=True, fmt="d", cmap="Reds", xticklabels=["No Churn", "Churn"], yticklabels=["No Churn", "Churn"])
plt.title('Confusion Matrix')
plt.xlabel("Predicted")
plt.ylabel("Truth")
plt.show()
```



0	from sklearn.metrics import classification_report
	<pre>classification_rep = classification_report(y_test_nomulti1, y_pred_nomulti1)</pre>
	<pre>print(classification_rep)</pre>

<del>2</del>	precision	recall	f1-score	support
0	0.86	0.98	0.92	1055
1	0.66	0.17	0.27	205
accuracy			0.85	1260
macro avg	0.76	0.58	0.59	1260
weighted avg	0.83	0.85	0.81	1260

# Support Vector Machines(SVM)

₹

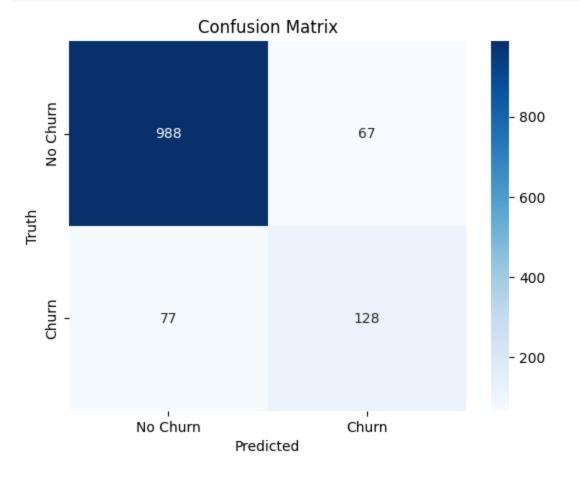
```
from sklearn.svm import SVC
    model1 = SVC(kernel='linear')
    model1.fit(X train nomulti1, y train nomulti1)
₹
            SVC
    SVC(kernel='linear')
    y pred nomulti1 = model1.predict(X test nomulti1)
    y pred nomulti1
    array([0, 0, 0, ..., 0, 0, 0])
```

0	<pre>svm = pd.DataFrame({'Predicted':y_pred_nomulti1,'Actual':y_test_nomulti1})</pre>
	SVM

	Predicted	Actual
2965	0	0
969	0	0
1385	0	0
1233	0	0
2996	0	0
1406	0	0
269	0	0
629	0	0
1033	0	0
286	0	0

1260 rows x 2 columns

```
sns.heatmap(cm, annot=True, fmt="d", cmap="Blues", xticklabels=["No Churn", "Churn"], yticklabels=["No Churn", "Churn"])
plt.title('Confusion Matrix')
plt.xlabel("Predicted")
plt.ylabel("Truth")
plt.show()
```



from sklearn.metrics import classification\_report
classification\_rep = classification\_report(y\_test\_nomulti1, y\_pred\_nomulti1)
print(classification\_rep)

support	f1-score	recall	precision	
	0.93 0.64	0.94 0.62	0.93 0.66	0 1
1260	0.89 0.79 0.88	0.78 0.89	0.79 0.88	accuracy macro avg weighted avg

#### **Decision Trees**

Accuracy: 0.8984126984126984

```
from sklearn.tree import DecisionTreeClassifier
from sklearn.metrics import accuracy score
from sklearn import metrics
clf = DecisionTreeClassifier()
clf = clf.fit(X train nomulti1,y train nomulti1)
y_pred_nomulti1 = clf.predict(X_test_nomulti1)
print("Accuracy:",metrics.accuracy score(y test nomulti1, y pred nomulti1))
Accuracy: 0.9103174603174603
# Create Decision Tree classifer object
clf = DecisionTreeClassifier(criterion="entropy", max depth=3)
# Train Decision Tree Classifer
clf = clf.fit(X_train_nomulti1,y_train_nomulti1)
#Predict the response for test dataset
y_pred_nomulti1 = clf.predict(X_test_nomulti1)
# Model Accuracy, how often is the classifier correct?
print("Accuracy:",metrics.accuracy_score(y_test_nomulti1, y_pred_nomulti1))
```

```
clf = DecisionTreeClassifier(criterion="gini", max depth=2)
# Train Decision Tree Classifer
clf = clf.fit(X train nomulti1,y train nomulti1)
#Predict the response for test dataset
y pred nomulti1 = clf.predict(X test nomulti1)
# Model Accuracy, how often is the classifier correct?
print("Accuracy:",metrics.accuracy score(y test nomulti1, y pred nomulti1))
Accuracy: 0.8952380952380953
clf = DecisionTreeClassifier(criterion="gini", max_depth=3)
# Train Decision Tree Classifer
clf = clf.fit(X train nomulti1,y train nomulti1)
#Predict the response for test dataset
y_pred_nomulti1 = clf.predict(X_test_nomulti1)
# Model Accuracy, how often is the classifier correct?
print("Accuracy:",metrics.accuracy score(y test nomulti1, y pred nomulti1))
Accuracy: 0.8992063492063492
#Predict the response for train dataset
y pred train1 = clf.predict(X train nomulti1)
# Model Accuracy, how often is the classifier correct?
print("Accuracy:",metrics.accuracy score(y train nomulti1, y pred train1))
Accuracy: 0.9216931216931217
```

### **Random Forest**

from sklearn.ensemble import RandomForestClassifier
from sklearn.metrics import classification\_report, confusion\_matrix

```
rf = RandomForestClassifier()
rf.fit(X_train_nomulti1, y_train_nomulti1)
   RandomForestClassifier
RandomForestClassifier()
y_pred_nomulti1 = rf.predict(X_test_nomulti1)
print(classification_report(y_test_nomulti1, y_pred_nomulti1))
print(confusion_matrix(y_test_nomulti1, y_pred_nomulti1))
             precision
                          recall f1-score support
                            0.98
                                      0.95
                  0.93
                                               1055
                  0.85
                            0.60
                                      0.70
                                                205
                                      0.92
                                               1260
   accuracy
                                      0.83
                                               1260
  macro avg
                  0.89
                            0.79
weighted avg
                  0.91
                            0.92
                                      0.91
                                               1260
        22]
   82 123]]
```

# **Adaboost**

from sklearn.ensemble import AdaBoostClassifier

```
from sklearn.metrics import accuracy_score, classification_report

model = AdaBoostClassifier(n_estimators=50, random_state=42)

model.fit(X_train_nomulti1, y_train_nomulti1)
y_pred_nomulti1 = model.predict(X_test_nomulti1)
accuracy1 = accuracy_score(y_test_nomulti1, y_pred_nomulti1)
print(f"Set 1 Accuracy: {accuracy1:.2f}")
print(classification_report(y_test1, y_pred1))
```

Set 1 Accur	racy	/: 0.89 precision	recall	f1-score	support
	0	0.96	0.98	0.97	1055
	1	0.90	0.78	0.84	205
accurac	су			0.95	1260
macro av	vg	0.93	0.88	0.90	1260
weighted av	٧g	0.95	0.95	0.95	1260

/usr/local/lib/python3.10/dist-packages/sklearn/ensemble/\_weight\_boosting.py:527: FutureWarning: The SAMME.R algorithm (the default) is deprecated and will be removed in 1.6. Use the SAMME algorithm (and warnings.warn)

### **XGBoost**

```
import xgboost as xgb
model = xgb.XGBClassifier()
model = model.fit(X_train_nomulti1, y_train_nomulti1)
y_pred_nomulti1 = model.predict(X_test_nomulti1)
y_pred_nomulti1
xg = pd.DataFrame({'Predicted': y_pred_nomulti1, 'Actual': y_test_nomulti1})
xg
accuracy1 = accuracy score(y_test_nomulti1, y_pred_nomulti1)
print(f"Set 5 Accuracy: {accuracy1:.2f}")
print(classification_report(y_test_nomulti1, y_pred_nomulti1))
Set 5 Accuracy: 0.92
              precision
                          recall f1-score support
                   0.93
                            0.98
                                      0.95
                                                 1055
                                      0.72
                  0.85
                            0.62
          1
                                                  205
                                      0.92
                                                1260
   accuracy
                  0.89
                            0.80
                                      0.84
  macro avg
                                                1260
weighted avg
                  0.92
                            0.92
                                      0.92
                                                1260
```

# ANN

```
tf.random.set seed(42)
# STEP1: Creating the model
model= tf.keras.Sequential([tf.keras.layers.Dense(50, activation='relu'),
                            tf.keras.layers.Dense(45, activation='relu'),
                            tf.keras.layers.Dense(34, activation='relu'),
                            tf.keras.layers.Dense(24, activation='relu'),
                            tf.keras.layers.Dense(1, activation='sigmoid')
])
# STEP2: Compiling the model
model.compile(loss= tf.keras.losses.binary crossentropy,
              optimizer= tf.keras.optimizers.Adam(learning_rate=0.001),
              metrics= [tf.keras.metrics.BinaryAccuracy(name='accuracy'),
                        tf.keras.metrics.Precision(name='precision'),
                        tf.keras.metrics.Recall(name='a=recall')
# STEP1: Fit the model
history= model.fit(X_train_nomulti1, y_train_nomulti1, epochs= 350, verbose=0)
```

