Machine Learning Models:
Churn Mitigation

Vertical

- **Industry:** All
- **Industry Detail:** Telecom

Use Case Highlights

- Applied machine learning to identify customer behavior that led to churn
- Personalized churn reduction treatment for Tier-1 global wireless telecommunications service provider

Use Case

- Mature wireless market: saturation and slow growth rates
- Substantial churn across both pre-paid and post-paid accounts with no clearly identifiable cause for churn
- Determine specific marketing actions to successfully mitigate churn

Business Impact

- **Reduced churn:** Achieved 20+ bps annual churn lift
- **Revenue lift:** Achieved $145MM/year in revenue lift or approx. $2/subscriber across targeted base
- **Results A/B tested against existing efforts:** Churn and lift are relative to existing campaigns

Technical Highlights

Multiple models configured to identify who, when and how

- **Who:** Identify high-risk subscribers
- **When:** Identify likely timeframe subscribers will churn
- **How:** Select retention strategy to best reduce churn

Output of model drives highly targeted marketing campaigns

Data Sources and Features

- **Subscriber Data**
  - Usage and Consumption
  - Billing and Payments
- **Product Information**
  - Handset Details
  - Additional Features
- **Interaction Patterns**
  - Customer Service
  - Marketing and Promotions
  - Customer Experience
- **External Data**
  - Competitor Data
  - Demographics Data
- 4,000+ Signals give a 360* view across entire lifecycle of every customer
- Injected intelligence in customer behavior patterns
- Automated campaign targeting through highly targeted and granular offers to address specific churn drivers

Leveraging Model Output

- Model scores individual churn drivers – cost, technical issues, old phone, etc.
- Understanding individual churn drivers helps customize treatment options for more effective mitigation
- Reinforcement learning algorithms create a feedback loop—promotions adjusted as dynamics in the world change

Ready to get started?

To learn more, please contact our experts at info@electrifai.net

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