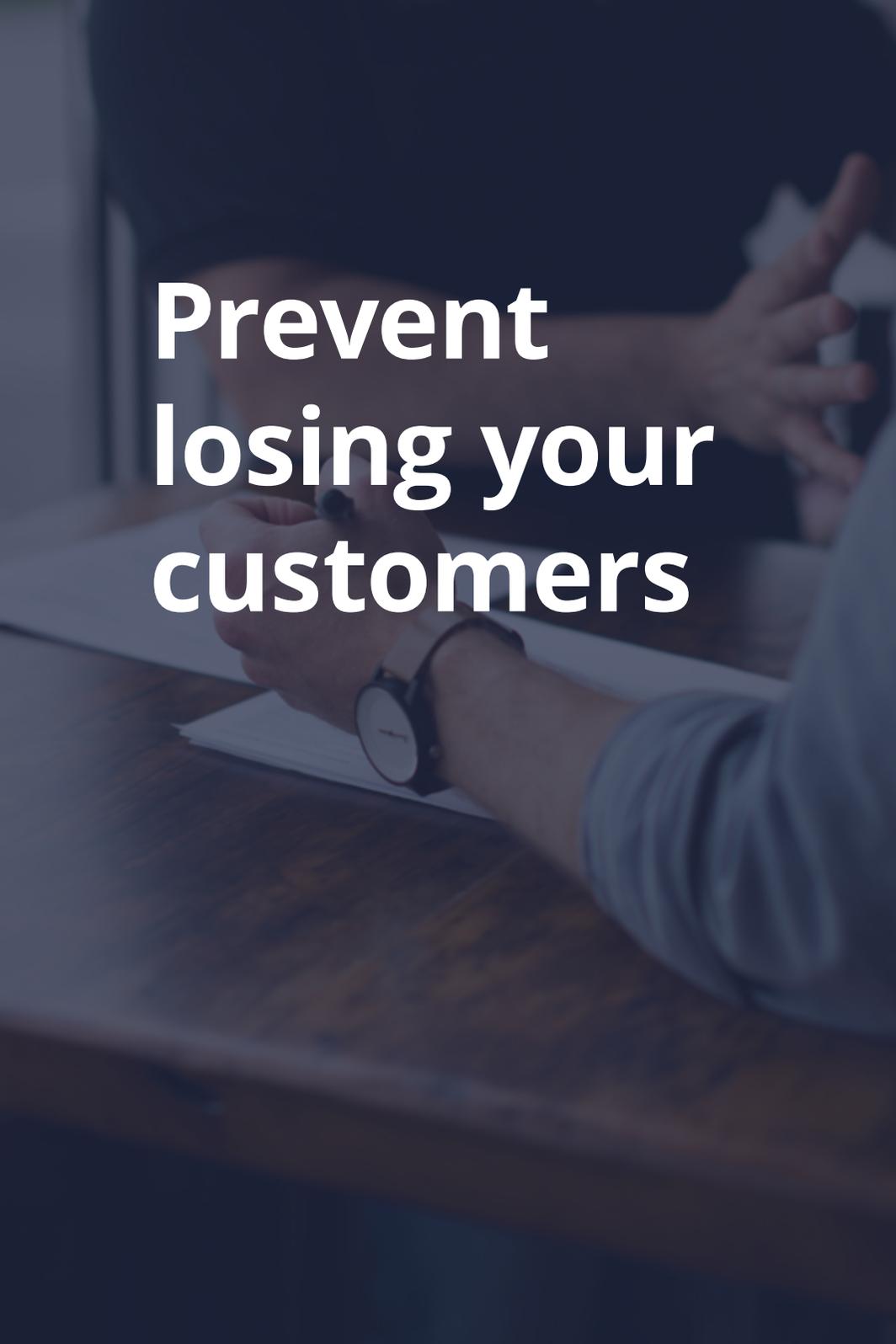


An aerial night view of a city street, likely in New York City, showing traffic lights, streetlights, and buildings. The image is dark with warm yellow and orange lights from the street and buildings. The text is overlaid on this background.

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Churn Analysis

How can you prevent losing your customers with Microsoft Azure?

A dark, blue-tinted background image showing a person's hands writing on a notepad with a pen. The person is wearing a watch on their left wrist. The text "Prevent losing your customers" is overlaid in large white font.

Prevent losing your customers

- **Customer churn**

- It's a crucial metric for a growing number of companies in a variety of industries.
- Traditional consumer behavior patterns disappear, along with the decrease of customer loyalty and retention.
- Research shows that the cost of acquisition of a new customer is much higher than the cost of retaining current clients - therefore, churn analysis is of the utmost importance.
- Companies must make use of the data to analyze not only the probability of churning but also combine this with an evaluation of customer value.

- **Challenge**

- How to use analytics to determine the **probability of customer churn?**
- How to combine it with **scoring and estimation of customer value?**

Make use of advanced analytics

Machine Learning models used for analysis



Logistic
regression



Random
forest



Boosted
decision trees



Neural
network ANN

- Predictive analytics and machine learning models allow us to extract patterns and insights from numerous sources of data.
- The result of such analysis are customer segments with churn probability calculated for every one of them. This combination provides valuable information for businesses.

Churn analysis

- Identification of the reasons which made a customer leave.
- Final effect – estimating probability of situation in which a customer stops using our products or services.

Benefits

1

Lower cost
of generating
campaigns

2

**Specifying the
negative effects**
of potential churn

3

Tailor-made and
targeted marketing
actions

RFM analysis

- Estimating how much is the customer worth for the company, based on customer activity and relationship with the brand.
- The final effect is the customer segmentation, which allows choosing the most appropriate marketing strategy for every segment.

Benefits

1 Simple and effective customer evaluation

2 Predicting marketing campaigns effect

3 Better targeted marketing actions

Customer scoring

- Estimation of customer value from the business point of view taking into account multiple variables.
- The result of the analysis is a single number used to classify a customer.

Benefits

1

More accurate
customer
classification

2

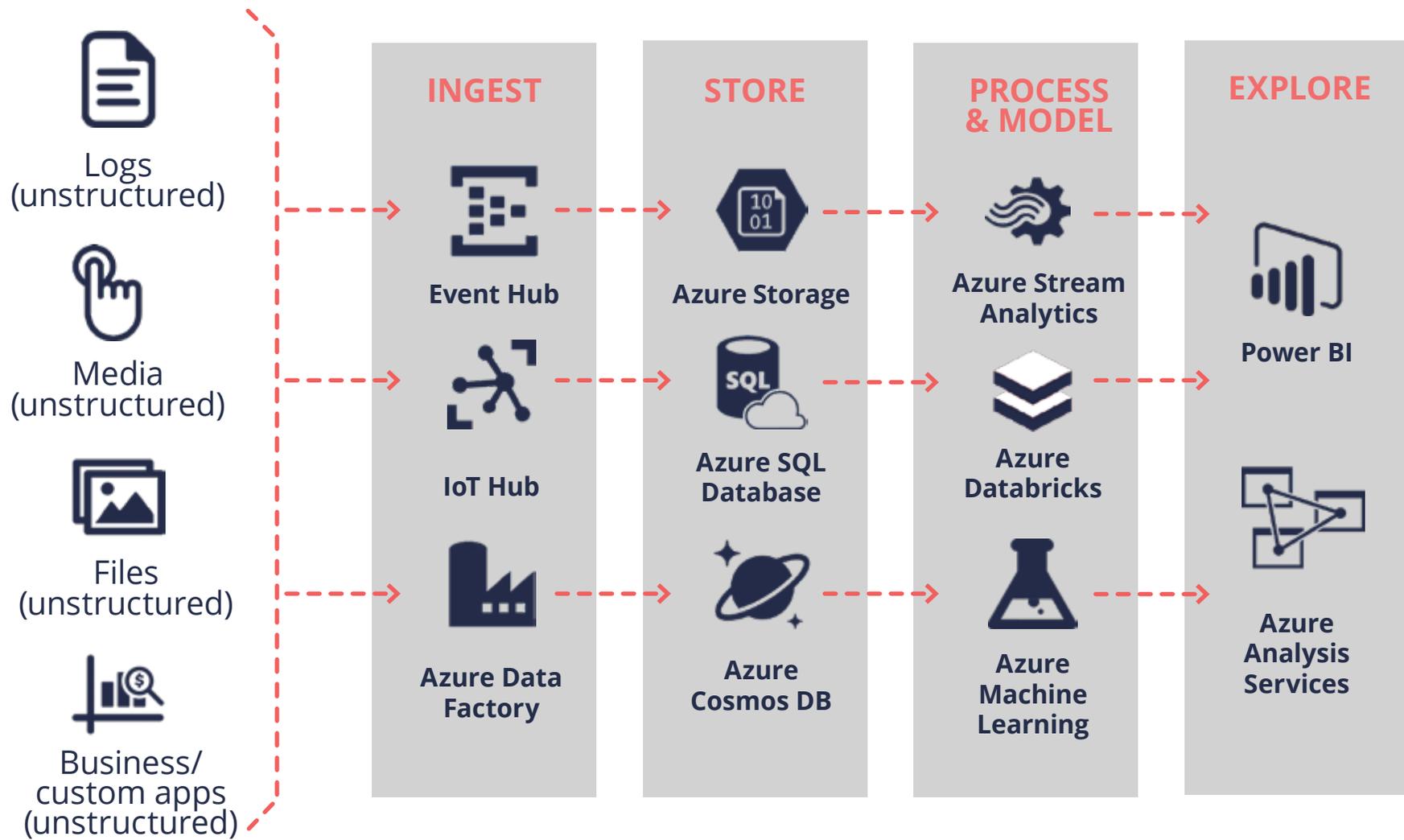
Enhancing knowledge
about clients and
generating personalized
recommendations
by discovering
similar groups

3

Better targeted
marketing
campaigns

Azure services used

for customer scoring and churn analysis



A long-exposure photograph of the Golden Gate Bridge at night. The bridge's towers and suspension cables are illuminated with a warm, golden light. The city lights of San Francisco are visible in the background, and the water of the bay reflects the bridge's lights. The sky is a deep, dark blue.

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**Interested?
Contact us**

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