Intelligent Miner for Data and Telecoms



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What are the telecoms business issues to address?

- What are the characteristics of my customers?
- Can I predict the customers who are likely to leave voluntarily and should we try to keep them?
- Can I identify the characteristics of customers who need special action as suspension or deactivation?

Ø ...

The Business Issue

∠ How can we discover the characteristics of customers?

1. Translate the business issue into a question

Define segments based on the customer behavior

2. Identify the data

- Behaviour data (call, services)
- Demographic data
- Additional data to profile each segment

Data model for segmentation

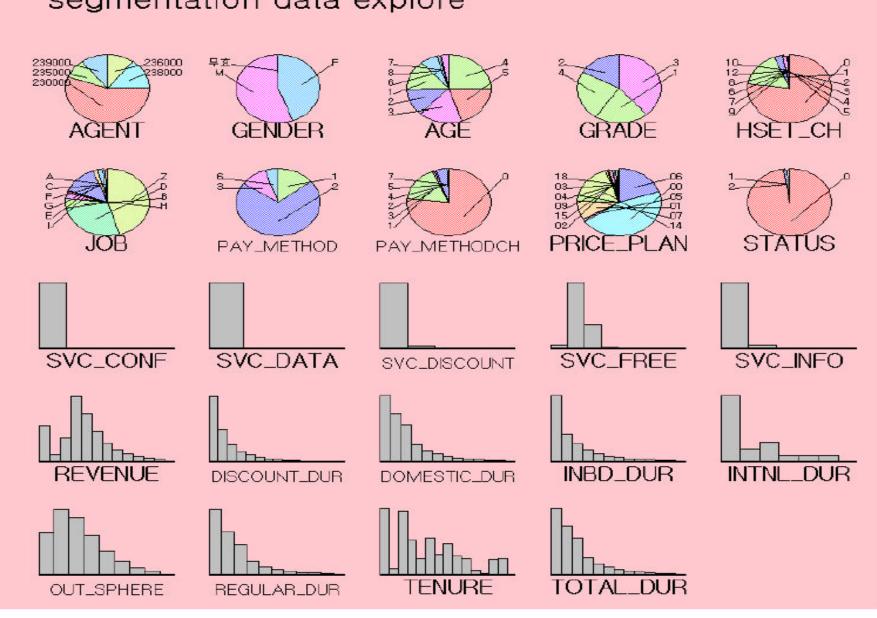
| | Variable name | Description | | |
|----|----------------------|---|--|--|
| | CALLING BEHAVIOUR | | | |
| 1 | Regular_dur | Minutes of call in regular time frame | | |
| 2 | Discount_dur | Minutes of call in discount time frame | | |
| 3 | Night_dur | Minutes of call in night time frame | | |
| | | | | |
| | SERVICE BEHAVIOUR | | | |
| 7 | Svc_data | Number of internet services | | |
| 8 | Svc_info | Number of information services | | |
| 9 | Svc_free | Number of free services | | |
| | | | | |
| | DEMOGRAPHIC | | | |
| | DATA | | | |
| 16 | Age | Customer age | | |
| 17 | Gender | Customer gender | | |
| 18 | Job | Customer job | | |
| | ADDITIONAL DATA | | | |
| 19 | Agent | Agent office where the phone was initially bought | | |
| 20 | Price_plan | Price plan | | |
| 21 | Tenure | Account age (how many month customer with your company) | | |
| | | | | |

3. Sourcing and preprocessing the data

To create our data model we have to take the raw data that we collect and convert it into the format required by the data models.

4. Evaluating the data

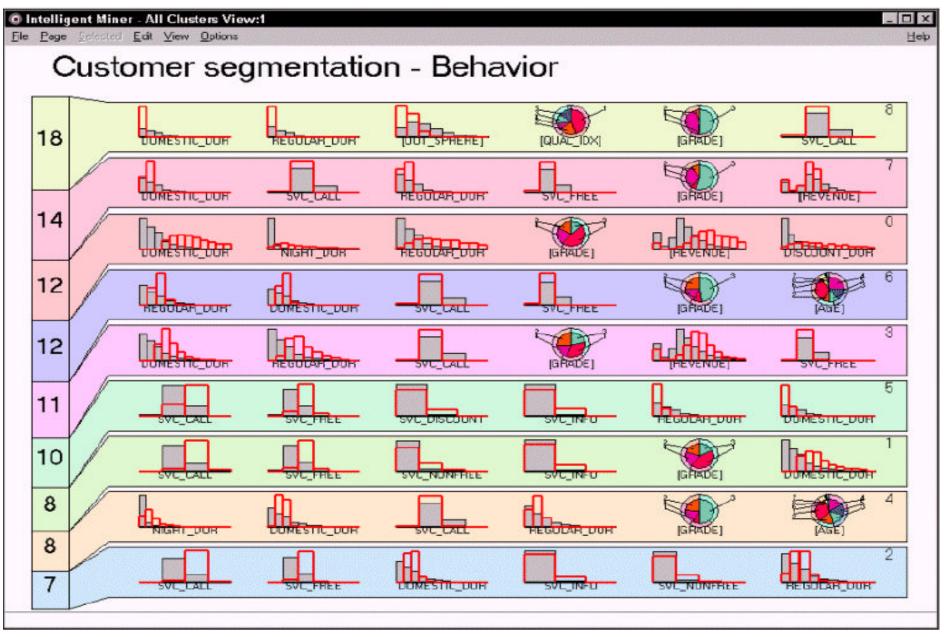
segmentation data explore



5. Choosing the mining techniques

The segmentation technique is chosen to identify customer behaviour.

6. Interpreting the results



Interpreting the results from business perspective

- The customers who have high call usage and low service utilization (Segment 8)
- The customers who have low call usage but high service utilization (Segment 5)
- The customers who have high call usage at certain time frame (Segment 4)

- Segment 4 has customers who have characteristics, such as:
- Mostly call at night (NIGHT_DUR)
- Not interested in most services (SVC_CALL, SVC_FREE) except friends and
- family type of discount service (SVC_DISCOUNT)
- **Ø** ...
- ✓ Teenage students (AGE, JOB)

Summary

| Segment | Segment name | Relative size | Call behaviour | Service behaviour | Reveneu |
|---------|--------------------|------------------|-------------------|----------------------|---------|
| 8 | Basic | 18,1% | VeryLow | Low | 10,6 |
| 7 | Economic | 13,6% | Low | Low | 16 |
| 0 | Premium - Young | 12,0% | VeryHigh | Medium | 41,8 |
| 6 | Conservative | 11,9% | Medium | Low | 21,3 |
| 3 | Inbound | 11,1% | High | Low | 31,1 |
| 5 | Service - oriented | 9,7% | Low | High | 15 |
| 1 | True mobile | 8,5% | VeryHigh | High | 37,7 |
| 4 | Night friends | 7,8% | Medium | Low | 20,2 |
| 2 | Regular teen | 7,5% | Medium | High | 21,8 |

Summary

| Rank | Segment size | Revenue share |
|------|--------------------------|--------------------------|
| 1 | Segment 8 (18,1%) | Segment 0 (21,8%) |
| 2 | Segment 7 (13,6%) | Segment 3 (15,0%) |
| 3 | Segment 0 (12,0%) | Segment 1 (13,9%) |
| 4 | Segment 6 (11,9%) | Segment 6 (11,1%) |
| 5 | Segment 3 (11,1%) | Segment 7 (9,5%) |
| 6 | Segment 5 (9,7%) | Segment 8(8,4%) |
| 7 | Segment 1 (8,5%) | Segment 2 (7,1%) |
| 8 | Segment 4 (7,8%) | Segment 4 (6,9%) |
| 9 | Segment 2 (7,5%) | Segment 5 (6,3%) |

