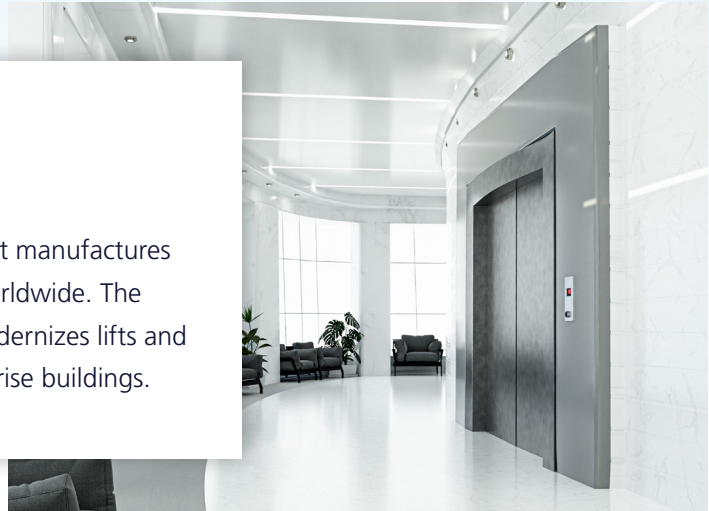Case Study

Predicting Customer Churn for a Leading European Elevator Company

Client

The client is a Swiss multinational company that manufactures escalators, moving walkways, and elevators worldwide. The company produces, installs, maintains, and modernizes lifts and escalators in residential, commercial, and high-rise buildings.

Challenges

Understanding customer behavior towards elevator maintenance services is a time-consuming and cost-efficient process.

Develop a solution to help overcome this challenge by providing a list of customers more likely to end the relationship (churn).

Solution

- Developed a Proof of Concept (PoC) solution that analyzes historical data and uses machine learning/deep learning techniques to identify customers likely to churn due to elevator maintenance services.
- Analyzed historical data of maintenance service contracts related to indicators that might effectively identify churn.
- Derived specific features from the indicator data and used this in the machine learning/deep learning model.
- Finalized the best suitable algorithm based on business-specified metrics.
- Classified the customers as churn or non-churn using the best suitable algorithm.
- Implemented the solution in Spain and it's being expanded to other regions.

Business Benefits

Helped the sales and marketing leaders to focus on the subsets of customers likely to end the relationship, improving cost efficiency.

Ensured 2% reduction in customer churn rate.

Tools, Technology, ML Techniques

- Azure Machine learning | Python | Sci-kit learn | Keras
- Classification | Tree-Based Algorithms | Neural Networks

About LTIMindtree

LTIMindtree is a global technology consulting and digital solutions company that enables enterprises across industries to reimagine business models, accelerate innovation, and maximize growth by harnessing digital technologies. As a digital transformation partner to more than 700 clients, LTIMindtree brings extensive domain and technology expertise to help drive superior competitive differentiation, customer experiences, and business outcomes in a converging world. Powered by 81,000+ talented and entrepreneurial professionals across more than 30 countries, LTIMindtree — a Larsen & Toubro Group company — combines the industry-acclaimed strengths of erstwhile Larsen and Toubro Infotech and Mindtree in solving the most complex business challenges and delivering transformation at scale. For more information, please visit https://www.ltimindtree.com/.