

**Mobile Phone Customers Churn Prediction by using Elman
and Jordan Recurrent Neural Network with Reinforcement
Learning Algorithm**

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BACHELOR OF SCIENCE (Hons) COMPUTER SCIENCE

**THESIS SUBMITTED IN PARTIAL FULFILLMENT OF
THE REQUIREMENT FOR THE DEGREE OF
BACHELOR OF SCIENCE**

**FACULTY OF SCIENCE COMPUTER AND
MATHEMATICS**

UNIVERSITI TEKNOLOGI MARA

MAY 2011

Acknowledgements

Firstly, I would like to thank Allah the Almighty for all His bless that give me the strength to complete this research project. On this opportunity, I would like to give my gratitude to those who involved in contributing the idea and support either directly or indirectly along from the beginning of project until it is completes. A very special thank to my supervisor, Assoc. Prof. Zaidah Binti Ibrahim for her encouragement, guidance, comments and also, load of ideas that led me in producing better quality of research project. Thanks also go to Mr. Nik Kasmijan who helped me in the midst of difficulties especially along the project development. To all my colleagues who helped me a lot in offering idea and morale support thanks a lot. Last but not least, to my parents that without their priceless support to what I have become now, and to Faculty of Computer Science and Mathematics for all the facilities provided. Thank you very much.

Abstract

The number of mobile phone user increases consistently year by year. While gaining new customer is harder than maintaining existing one, various churn predictor engine has been developed to fulfill this purpose. Using Recurrent Neural Network in predicting churn is still new to this field. Same goes for Reinforcement Learning which is the Q-learning. For that reason, this project main purpose is to develop two famous Recurrent Neural Networks; Elman and Jordan, and also equipping them with Q-Learning; to predict the probabilities of mobile phone churning rates. The scope of this project is to evaluate the performance between ERNN and JRNN. This project is developed using Netbeans IDE and Java language. The final experimental result shows that JRNN able to give better accuracy prediction compared to ERNN.

Keywords: Churn engine, Churn Predictor, Q-Learning, ERNN, JRNN

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CHAPTER 1

INTRODUCTION

1.0 Background

As business world becomes compact and saturated, gaining new customers is harder than maintain existing ones. In order to fulfill the need to retain the customer, various churning method has been developed as a marketing strategy to keep surviving in this volatile and rapid growing environment (Richter et al. 2009).

Churn is frequently spoken of in a communication context, where it refers to the tendency of cell-phone subscribers to switch providers. The most basic reasons for churn are dissatisfaction with an existing provider, the lure of a lower price from a different provider, a change in the subscriber's geographic location, the desire for increased connection speed, or a need for different or enhanced cell-phone coverage (Ferreira et al. 2004).