

## Executive Summary: Customer Churn Analysis

The analysis provides a comprehensive view of customer churn patterns, highlighting critical areas for improvement and strategic intervention. Below are the detailed findings and actionable insights:

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### 1. Service Usage and Churn Rates

- **Fiber Optic Internet Users:**  
Customers using fiber optic internet exhibit the highest churn rate, with **42% of fiber optic users churning**, compared to **15% for DSL users** and **10% for customers without internet service**. This suggests dissatisfaction with fiber optic service quality or pricing, requiring immediate attention.
- **Optional Service Uptake:**  
Customers without additional services (e.g., online security, online backup, and tech support) are significantly more likely to churn:
  - **Online Security:** Customers without this service have a **28% churn rate**, compared to **15% among those with the service**.
  - **Tech Support:** Absence of tech support leads to a **30% churn rate**, while customers with tech support have a churn rate of **16%**.

### 2. Retention Opportunities

- **Bundled Services:**  
Customers with multiple optional services show higher loyalty. For instance:
  - Customers with **three or more services churn at a rate of only 12%**, while those with no additional services churn at **35%**.
- **Streaming Services:**  
Streaming services (TV and movies) also impact retention. For example:
  - **Streaming TV:** Churn rates for non-users are **27%**, compared to **18% among users**.
  - **Streaming Movies:** A similar pattern is observed, with churn rates of **26%** for non-users versus **19%** for users.

### 3. Churn Drivers and Strategic Insights

- **Key Churn Drivers:**
  1. Fiber optic internet has the highest churn rate among services.
  2. Lack of security, backup, and support services correlates with higher churn.
  3. Customers not engaged with streaming services also show a higher tendency to churn.

- **Strategic Recommendations:**

1. **Improve Fiber Optic Service:** Focus on addressing customer complaints related to fiber optic services (e.g., speed, reliability, or cost).
2. **Promote Bundled Services:** Design and market bundled service offerings with discounts or added perks to increase adoption and retention.
3. **Customer Engagement Campaigns:** Encourage uptake of optional services such as tech support and online security by demonstrating their value.
4. **Targeted Retention Programs:** Focus on high-risk segments such as customers without optional services or using fiber optic internet. Offer personalized incentives to reduce churn likelihood.

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By addressing these focus areas, the company can aim to reduce churn by up to **10-15%**, potentially saving significant revenue while enhancing customer satisfaction and loyalty.