Business Report Structure for Customer Churn Analysis

1. Executive Summary

- Analyzed telecom customer churn (~7,000 customers).

- Found **26.6% overall churn rate** (1 in 4 customers leave).

- Key churn drivers: **Month-to-Month contracts, high monthly charges, early tenure (<12 months), Electronic Check payments**.

- Built a Power BI dashboard for executives to track churn KPIs and breakdowns.

- Recommended targeted retention strategies that could **retain ~350 customers annually** with even a 5% churn reduction.

2. Data Overview

- **Source:** Telco Customer Churn dataset (Kaggle).

- **Size:** 7,043 rows, 21 columns → cleaned to 7,032 rows.

- **Key Variables:** tenure, Contract, MonthlyCharges, TotalCharges, PaymentMethod, Churn.

- **Data Cleaning Performed:**

  - Converted TotalCharges from text → numeric.

  - Dropped 11 rows with missing values.

  - Verified data types and consistency.

3. Key Findings

- **Contract Type:**

  - Month-to-Month churn rate ~43% vs <15% for long-term contracts.

- **Tenure:**

  - Customers with <12 months tenure are most at risk.

  - Loyal customers (>3 years) rarely churn.

- **Monthly Charges:**

  - Customers paying >$80/month churned more frequently.

- **Payment Method:**

  - Electronic Check users had the highest churn compared to auto-pay methods.

- **Demographics:** Gender had no significant effect on churn.

4. Dashboard Highlights (Power BI)

- **KPIs:** Total Customers, Churned Customers, Churn Rate.

- **Visuals:** Churn by Contract, Tenure Buckets, Monthly Charges, Payment Method, Gender.

- **Filters/Slicers:** Contract Type, Internet Service, Payment Method.

- **Preview:**

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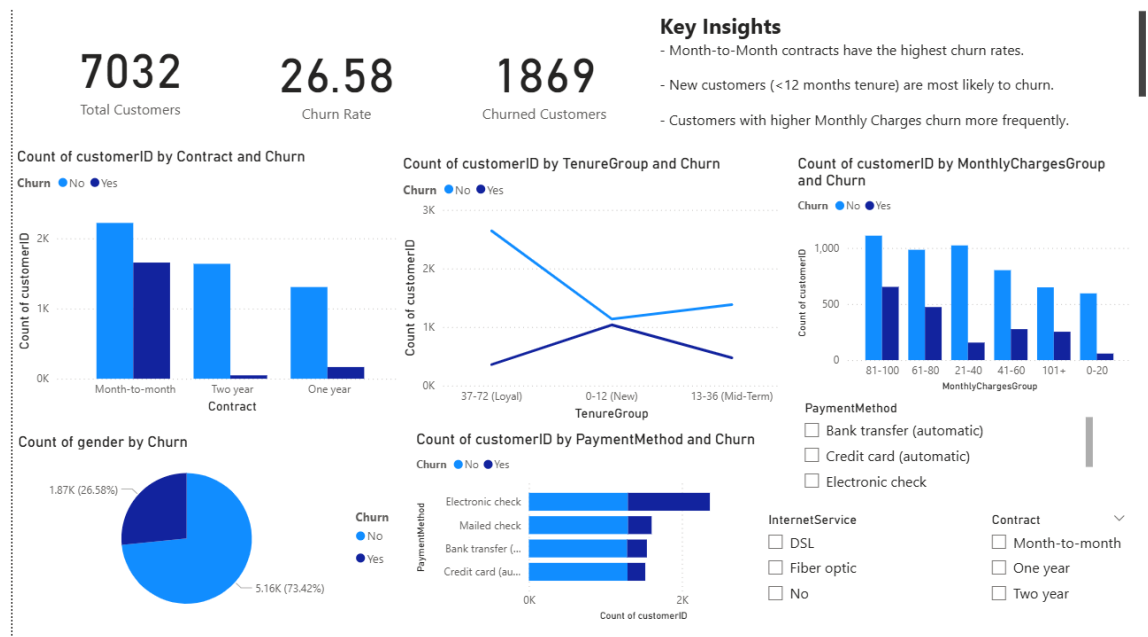
5. Recommendations

1. **Incentivize long-term contracts** with discounts or loyalty perks.

2. **First-year retention program** targeting new customers.

3. **Tiered pricing/discounts** for high-paying customers.

4. Promote **Auto-Pay methods** to replace Electronic Check.

5. **Targeted engagement campaigns** for at-risk customers.

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6. Business Impact

- Reducing churn by **5%** (~350 customers/year) can significantly increase recurring revenue.

- Lower acquisition costs by improving retention instead of replacing lost customers.

- Data-driven strategies provide a foundation for **customer success and growth**.