Customer Churn Analysis

ANNUAL SUMMARY

- Total Revenue count crossed the mark of **$21M** . It is a comparable amount that can sustain the competitive market.

- Average Customer Age is **47** while, Male and Female Customers have almost equal share in revenue. Both, of these indicates that our customer base has fair amount of diversity.

- Average Monthly charge accounts for **$64.7** which is very low as compared to national average of **$166 and $144** for the State of California.

- Customer who didn't opt for an offer contributes almost **53.7%** of revenue share, which a sign of trust among our regular customers. Among those who took offers, B contributes to maximum revenue share of **42.8%,** followed by Offer A which is around **38%** . Both, the offers are well accepted by customers. Offer E contributes to **1.1%** of revenue share.

- Total Number of referrals are **13,747** with **15%** of customers at least referred once in their lifetime.

- Average customer tenure is **44** months , which should be getting to the mark of **60** months to reach the minimum customer life-time target. However, Customers who took Offer A has an average tenure of **70** months, followed by Offer B having **53.3,** which indicates that both the Offers are very well accepted by our customers, and we should produce similar type of offers.

- Payment Method that is most preferred by the customer is Bank Withdrawal contributing **60.3%** of total payment, followed by Credit Card holder contributing **38%** of the total pay. However, mailed check is least preferred method.

CHURN SUMMARY

Gender (All) ▼ **Offers** (All) ▼

Net Revenue Gain/Loss	Renewal Rate	Churn Rate	Customer Churn	New Customers
$17.74M	67%	26.5%	1,869	454

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• Customer with offer A has minimum churn rate, which shows that it is well accepted by customers.

• Almost 64% of customer churn happened due to top 5 reasons that includes better devices and offers, higher speeds and more data from other competitors and unsatisfactory support from team.

Average Tenure in Months

Price	Dissatisfaction	Competitor	Attitude
19.5	18.0	17.7	17.3

Customer Summary

- Churned 26.54%
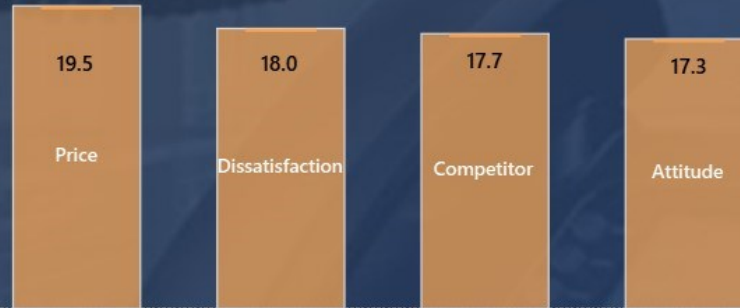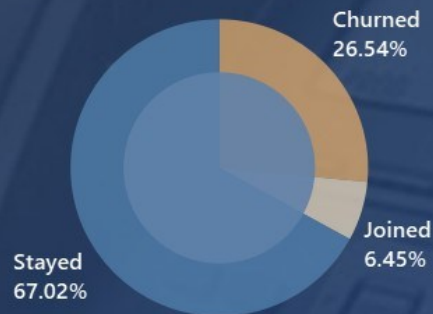- Stayed 67.02%
- Joined 6.45%

Reason for Churn

- Competitor had better devices 16.75%
- Competitor made better offer 16.64%
- Attitude of support person 11.77%
- Don't know 6.96%
- Competitor offered more data 6.26%
- Competitor offered higher download speeds 5.35%
- Attitude of service provider 5.03%
- Price too high 4.17%
- Product dissatisfaction 4.12%
- Network reliability 3.85%
- Long distance charges 3.42%
- Service dissatisfaction 3.37%
- Moved 2.46%
- Extra data charges 2.09%
- Limited range of services 1.98%
- Poor expertise of online support 1.66%
- Lack of affordable download/upload speed 1.61%
- Lack of self-service on Website 1.55%
- Poor expertise of phone support 0.64%
- Deceased 0.32%
- 0.00%

• Net revenue loss due to customer churn is around 17.4% which is not a positive sign for state wise service.

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Customer Summary
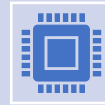
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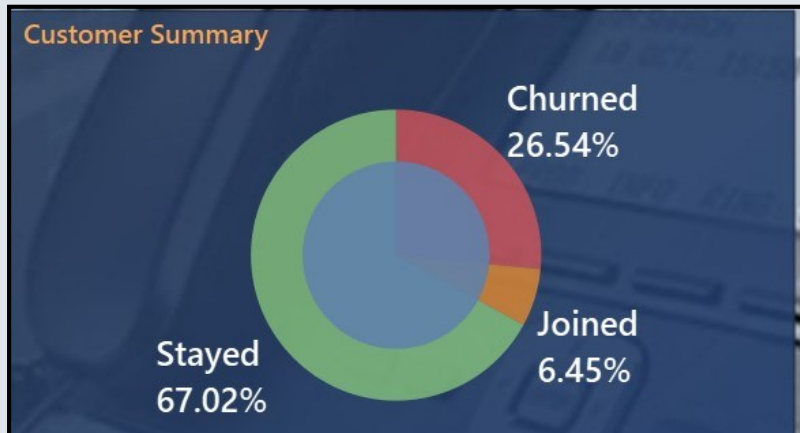
Total Customer churn is around 1870 which accounts for 26% of our customers. Both male and Female customers contribute equally to the churning rate showing no bias in the service.

Customer who chose offer E contributes to maximum churning rate shows that they contribute to non-regular customer section.

Customer with offer A has minimum churning rate, which shows that it is well accepted by customers.

However, most of the new customers opted for offer E , which shows that it only requires some changes that will reduce the variations in service.

- Average customer lifespan is 32 months, but for the customers churn it is below 20.

- Clearly, price point is not the issue for customers, and it can be observed that market research should be more strongly performed to compete with other providers.

Reason for Churn

- Competitor had better devices
- Competitor made better offer
- Attitude of support person
- Don't know
- Competitor offered more data
- Competitor offered higher download speeds
- Attitude of service provider
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Almost 64% of customer churn happened due to top 5 reasons that includes better devices and offers, higher speeds and more data from other competitors and unsatisfactory support from team.
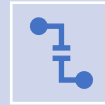
Other reasons for churn include product dissatisfaction, high price point, network reliability and long-distance charges.

Net revenue loss is around 17.4% which is not a positive sign for multi-channel service model. Urgent need for improvement is recommended.

- No change in price point is recommended until planning to expand in other states.
- Strong market research is recommended ,maybe hiring more experienced people in market research team for enhanced performance will be a good decision. Better offering from competitors is the primary reason for churn.
- Regular training and evaluation of support team should be mandatory.
- Need for expand in other states is recommended for more growth opportunities and that will also help us in organisational change management on large scale.