

# Summary and Recommendations

## Objective:

The primary goal of this analysis is to identify key factors influencing customer churn and provide actionable insights to improve retention within a telecom company.

## Key Findings:

### 1. Contract Type & Churn:

- **42% of month-to-month customers** churn, compared to **11% for one-year** and **3% for two-year contracts**.
- **Recommendation:** Encourage long-term contracts through discounts or benefits.

### 2. Internet Service & Churn:

- **35% of fiber optic users** churn, while **DSL churns at 25%**, and customers with **no internet service churn at 5%**.
- **Recommendation:** Focus on improving service or adjusting prices for fiber optic customers.

### 3. Payment Method & Churn:

- **45% of electronic check users** churn, compared to around **20% for bank transfers and credit cards** and **16% for mailed checks**.
- **Recommendation:** Offer incentives to switch from electronic checks to more stable payment methods.

### 4. Tenure & Churn:

- **52% of customers with less than a year** churn, versus **23% for 1-3 years** and **10% for 3+ years**.
- **Recommendation:** Engage new customers with onboarding programs to increase retention.

### 5. Senior Citizens & Churn:

- **41% of senior citizens** churn compared to **22% for non-seniors**.
- **Recommendation:** Provide specialized support or tailored offers for senior citizens.

## Conclusion:

By addressing churn through targeted contract, payment, and service improvements, the company can reduce churn rates, especially among month-to-month customers, fiber optic users, and senior citizens.