Customer Churn Analysis in Excel
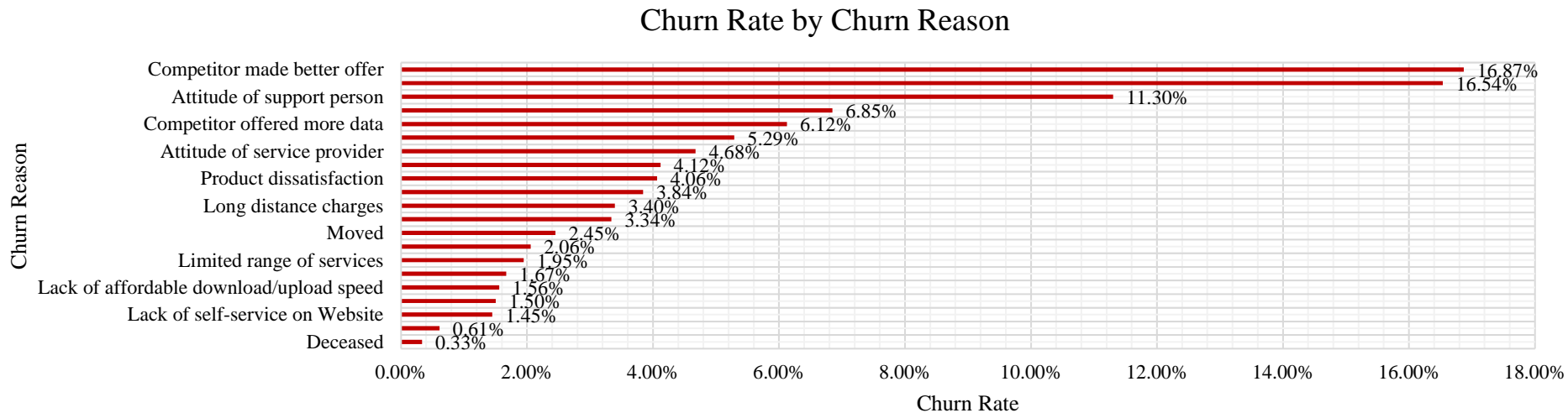
Dipika Jothinathan

What is Customer Churn ?

Total Customers	Churned Customers	Churn Rate
6687	1796	26.86%

- Tells why customers are leaving

- Is the rate at which customers are leaving

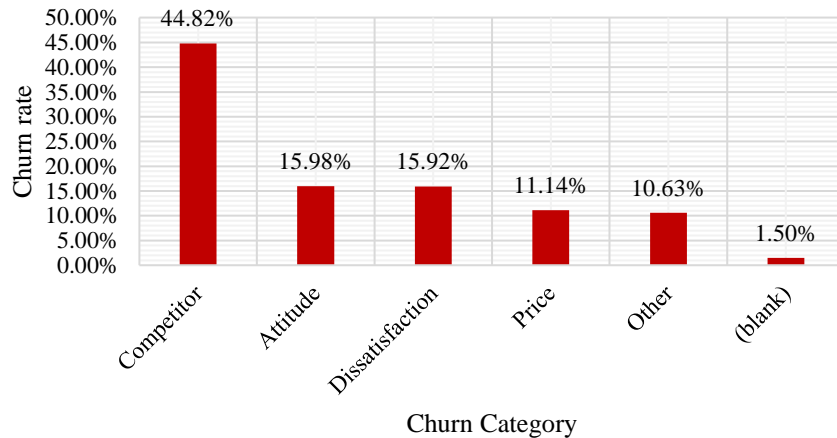- Allows companies to measure competitiveness

Investigating Churn Reasons
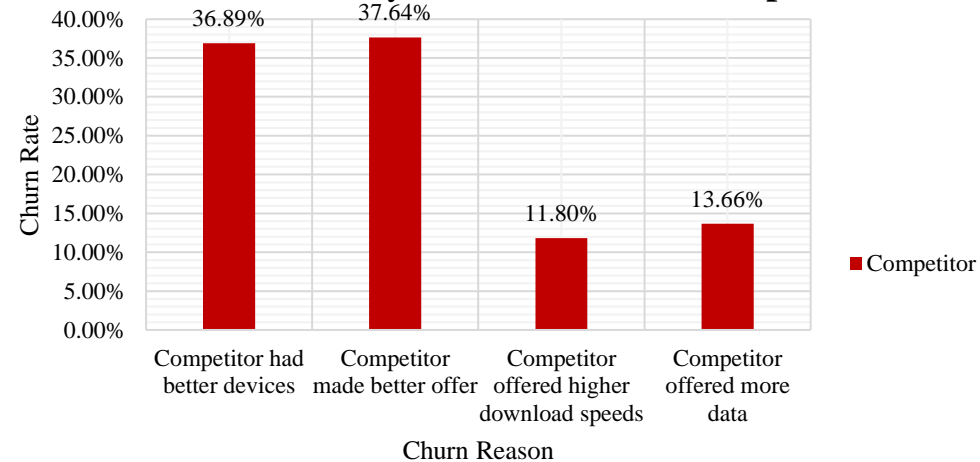
Churn Rate by Churn Reason

- **Competitive pricing and product offerings**
  - 2 highest churn reasons
  - competitors - better deals or devices

- **Customer Service Matters**
  - "Attitude of support person" – 3rd highest reason

Identifying Major Churn Reasons
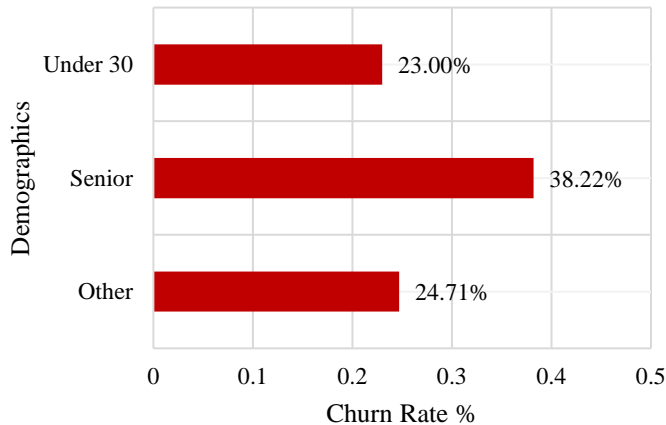

Churn rate vs Churn Category

Churn rate by Churn Reason for **Competitor**
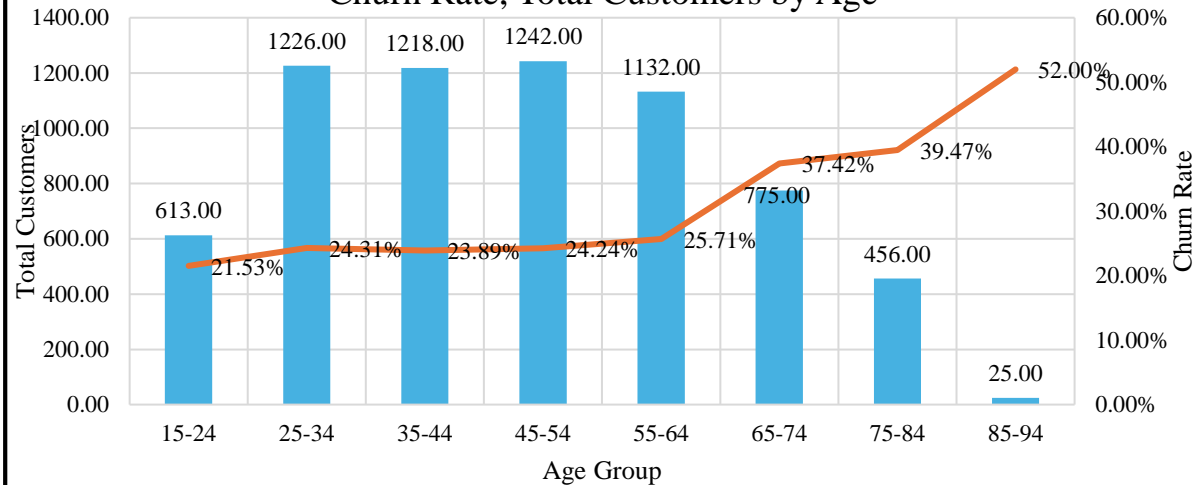
- **Competitor** => highest proportion of churn

- Most common reason of Customer churn is related to competitors:
    - **Better devices**
    - **Better offers**

How Age Affects Churn Rate?

Churn Rate by Demographics

Churn Rate, Total Customers by Age

- Younger and middle-aged customers : Churn rate - consistent

- **Older customers** : higher churn rate => more likely to churn
  - Factors may be changing needs, affordability, or technical difficulties

# Does Unlimited Data Plan Affect Churn Rate?

Churn Rate by Grouped Consumption and Unlimited Data Plan

- Unlimited data plan: Higher overall churn rate

- **Unlimited plan: Lower data => higher churn**
  o Unlimited plan users who use less data - see not much value in it

- Limited plan: Moderate data => higher churn

How contract type and account length affects churn rate?

- Account length :**1-12 months** => highest
    - Evaluation phase - switch if they encounter issues or find better deals

- Contract type: **month-to-month** => highest
    - High flexibility - switch providers - leave without penalty.

Churn Rate vs Contract Type and Account Length
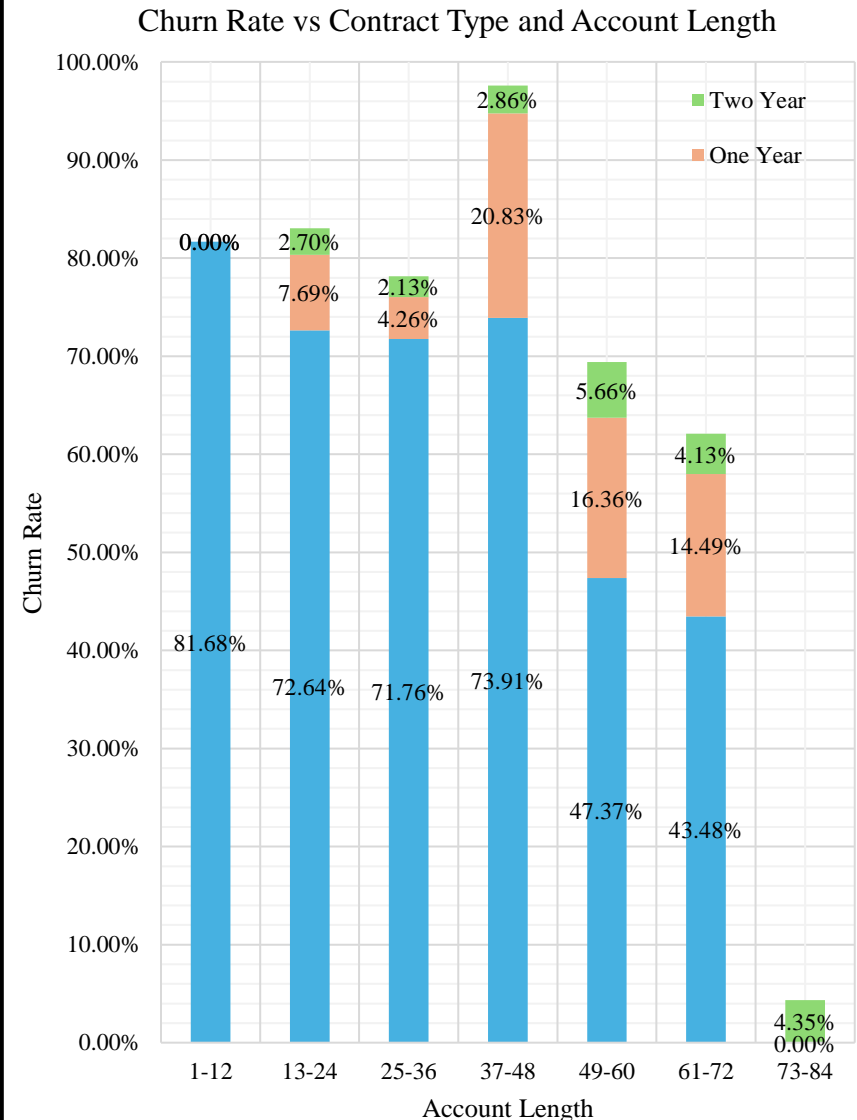
Insights & Recommendations

- **Competitor**
  - Monitor competitor pricing/offerings
  - Improvise price matching plans, trade-in programs, financing options, rewards programs

- **Older Customers** : Senior Plan – targeted strategies
  - Clear pricing, easy-to-understand features, discounts
  - Provide dedicated & patient technical/troubleshooting support

- **Unlimited Plan with Less Data**
  - Offer schemes like data rollover, cloud bundles, plan downgrade, rewards discount or slower speeds at lower price

- **1-12 Months Account Length** users
  - Focus on early customer retention strategies

- **Month-to-month Contract type**
  - Encourage customers (marketing) to sign longer-term contracts to reduce churn