



AST

Telecom company



# Customer Churn Analysis

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# What Are We Facing? >>>

This analysis investigates customer churn within a telecom company, where churn refers to customers who have stopped using the company's services. Understanding churn is crucial for improving customer retention and refining business strategies. High churn rates can indicate dissatisfaction with service quality, pricing, or customer support.



# Customer Churn KPI Analysis

7043

**Total Customer**

Total Customers of The  
Company

1869

**Churned**

Customers who left the  
company

26.5%

**Churned Rate**

The Rate of churned =  
more than 1/4 Total  
Customer

6.4%

**Joined Rate**

The Rate of joining is  
unsatisfactory



# What We Are Going to Analyze?!

1-Reasons for Churn

2-Geographical Insights

3-Contract Types

4-Offer Impact

5-Internet Types

6-Premium Tech. Support

7-Internet Services

8-Phone Services



# 1-Reasons for Churn



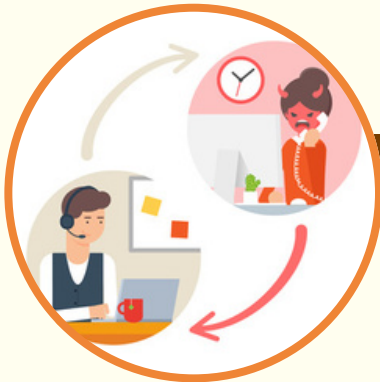
## Competitors

- The primary reason for churn is competitors offering better devices and deals, accounting for 16% of the churn.



## Dissatisfaction

- Customer dissatisfaction is a significant reason for churn.

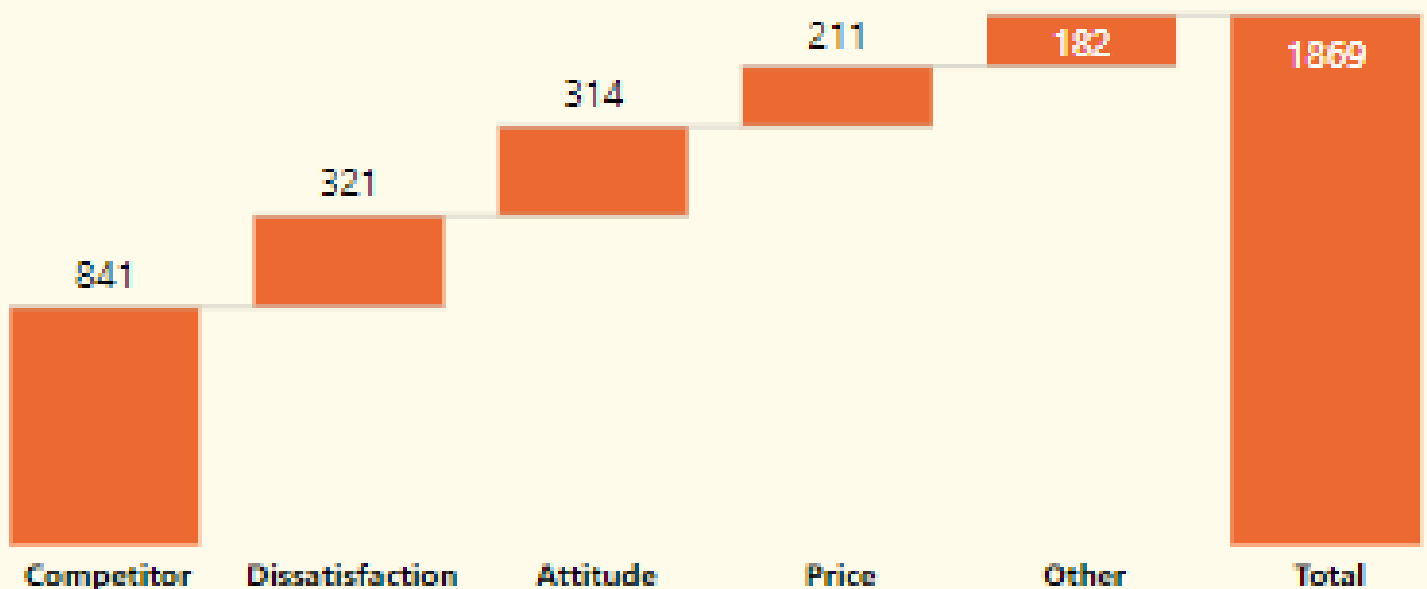


## Support Attitude

- The attitude of support personnel is also a critical factor leading to churn.

### Primary Causes of Customer by Churn

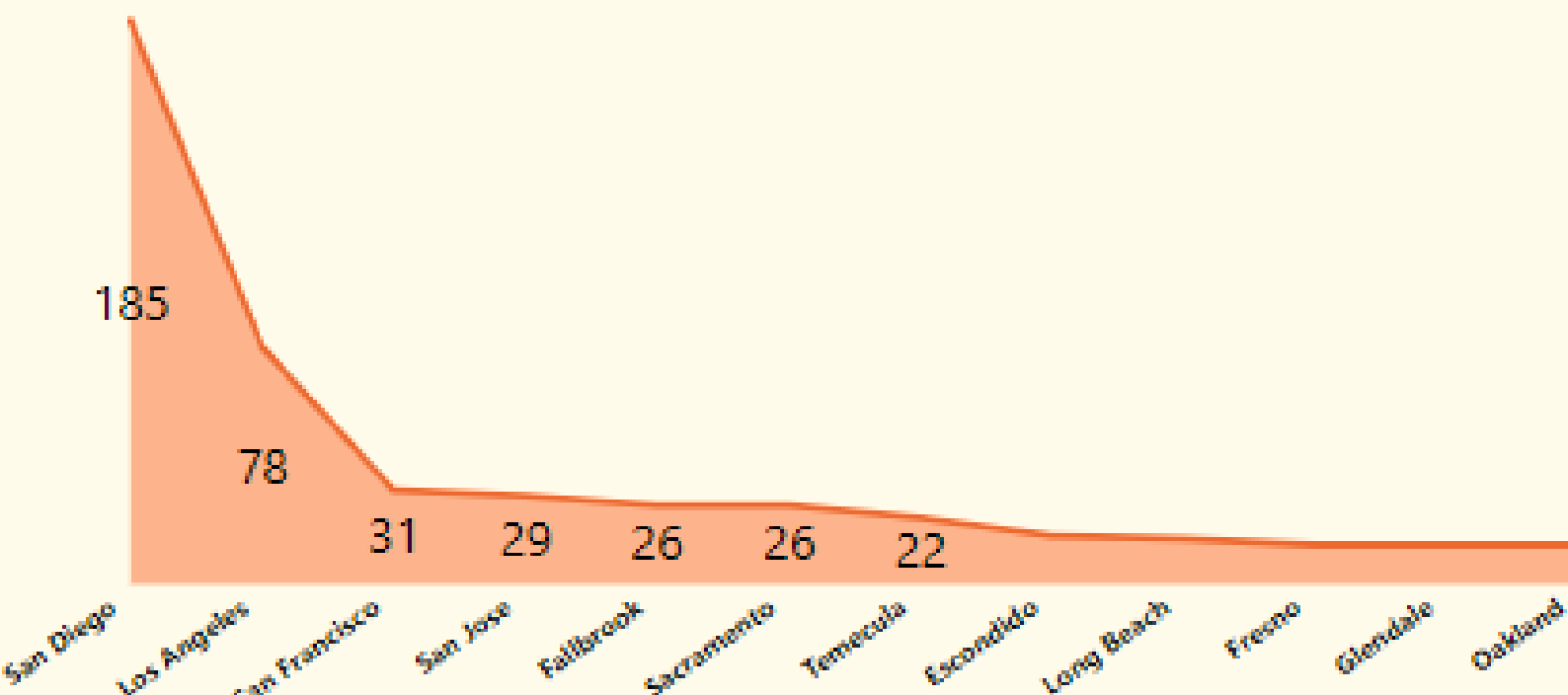
■ Increase ■ Decrease ■ Total



## 2-Geographical Insights

- An analysis of the top 10 cities with increased churn identifies **San Diego** as a hotspot for customer churn.
- **Los Angeles** is the 2nd rank in customer churn.

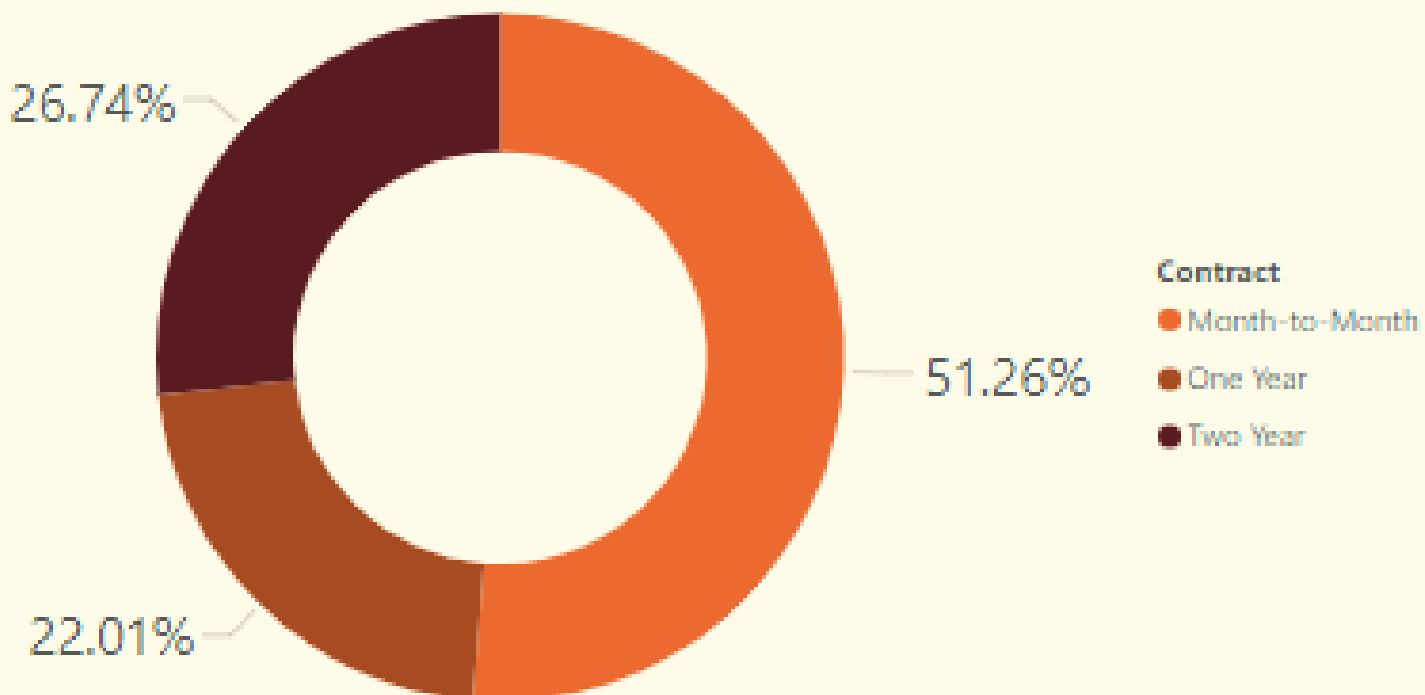
Top 10 Cities With an Increase in Churn



## 3-Contract Types

- The number of churned customers who joined the **month-to-month** contract is greater than that of stayed customers.

**Contract Types Distribution**



# 4-Offer Impact

## No Offers:

- 57% of churned customers didn't subscribe to any offers, contributing the same percentage to total revenue.

## Offer E

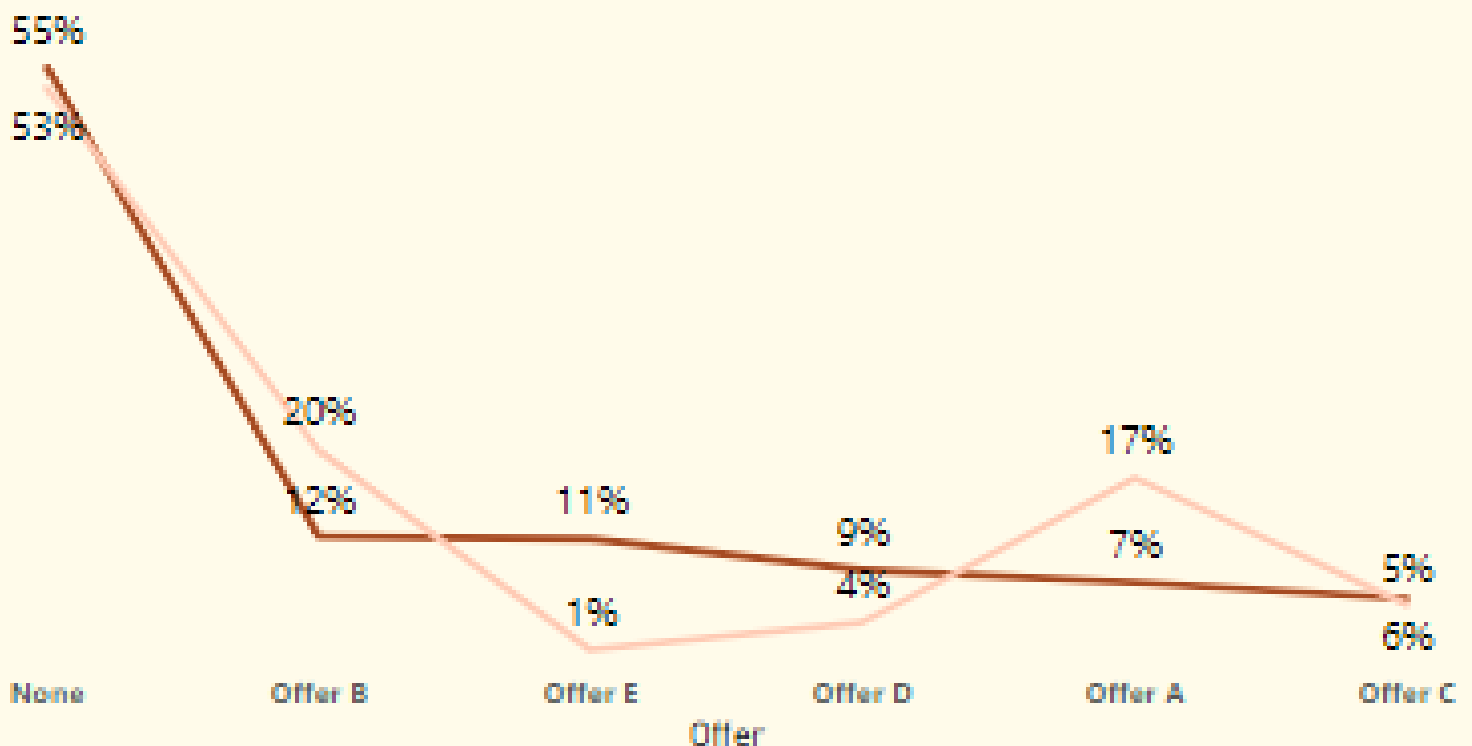
- 19% of churned customers were on Offer E, contributing only 3% to the total revenue. This suggests that Offer E, despite having a relatively higher churn rate, had a low impact on total revenue.

## Offers D, C, B, A:

- The remaining offers (D, C, B, A) had fewer churned customers (6%-9%) with varying but generally low revenue impacts

### Offers by Customer Status & total revenue

■ % Count of Customer Status ■ % of Total Revenue

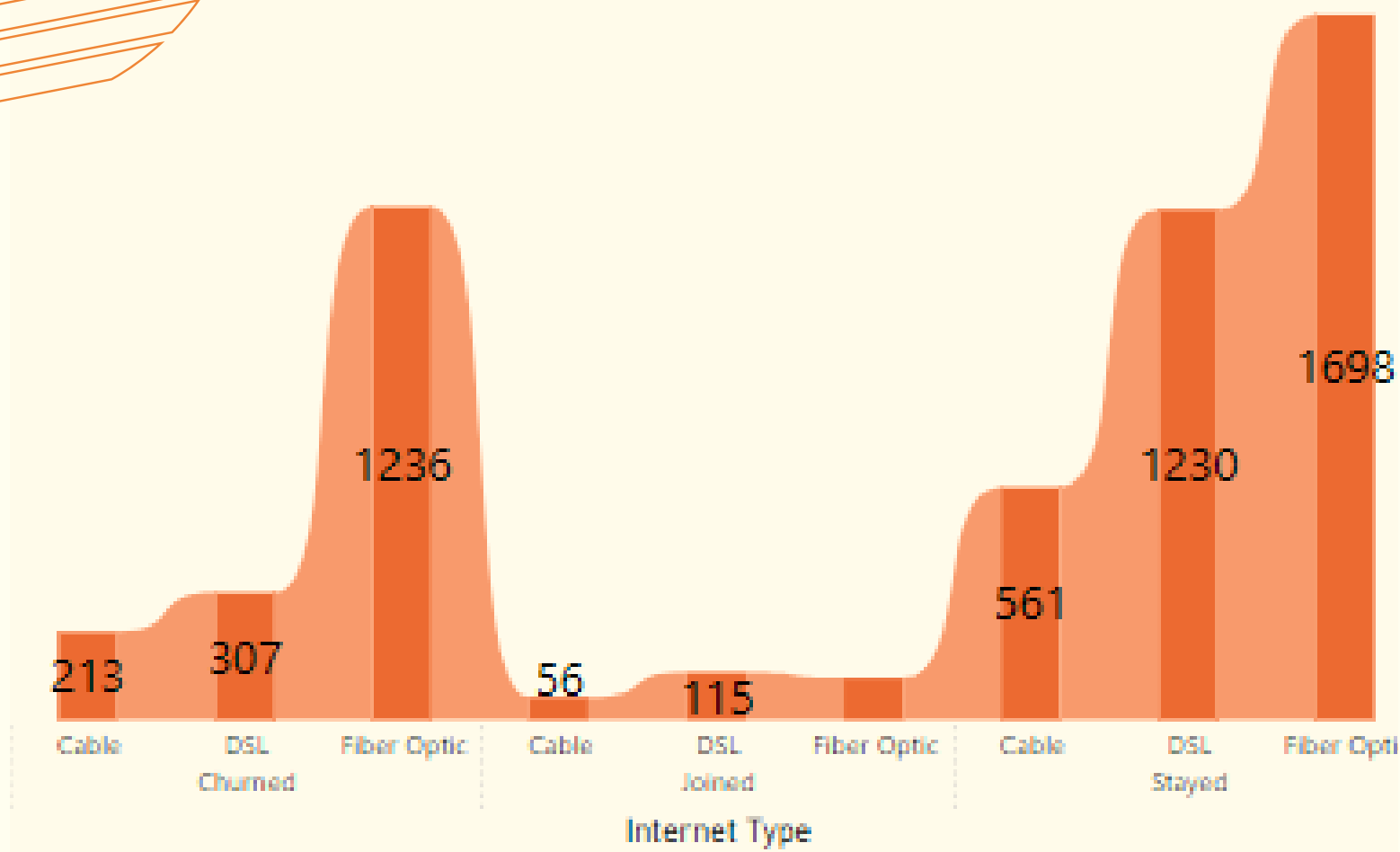




## 5- Internet Types

- The number of churned customers using **Fiber-optic Internet** is higher than those with other types of Internet.

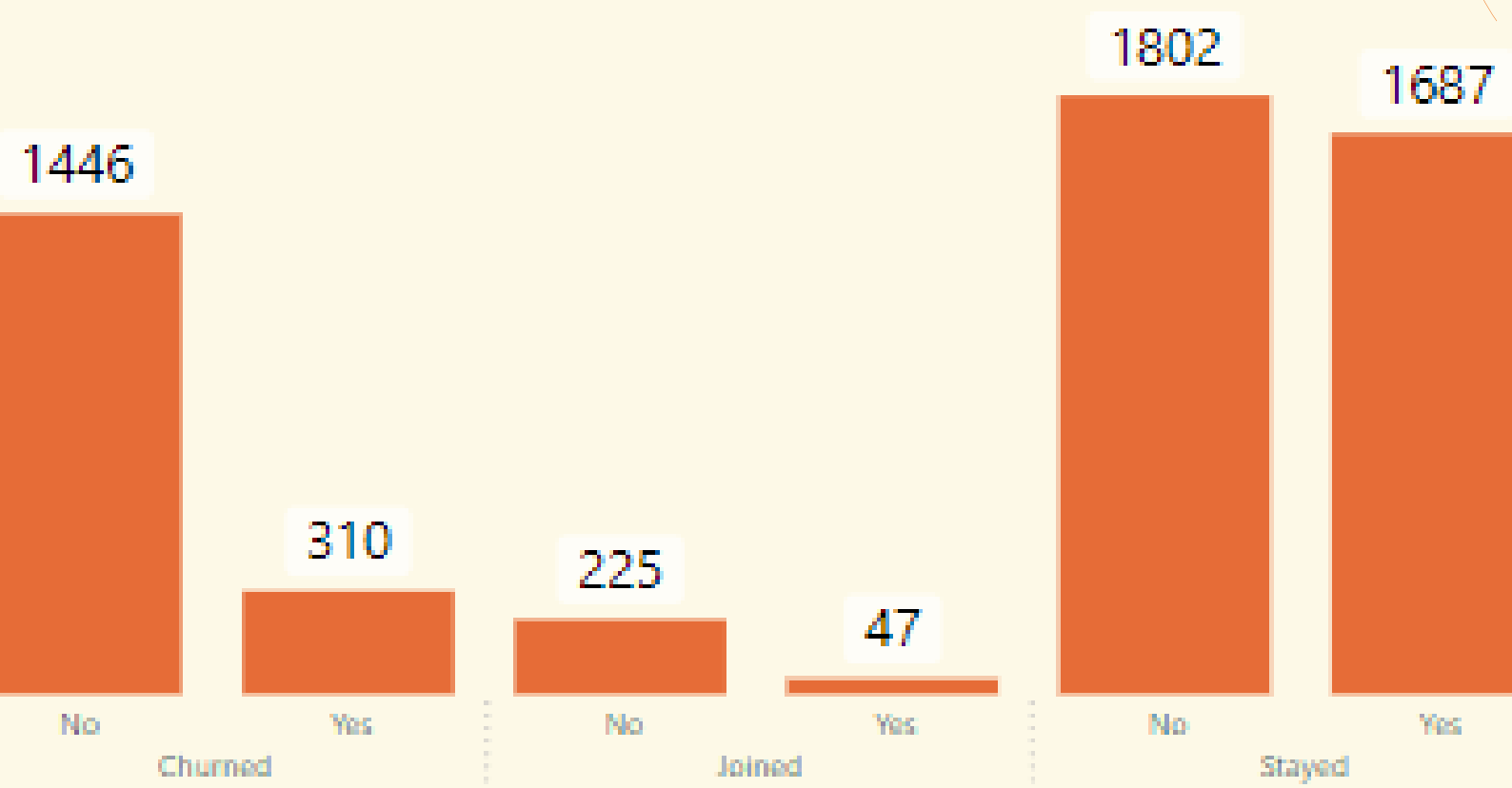
Internet Types by Customer Status



## 6-Premium Tech. Support

- The percentage of customers subscribing to additional **technical support** plans is relatively low, indicating general reluctance across all customer segments.

### Premium Tech. Support by Customer Status



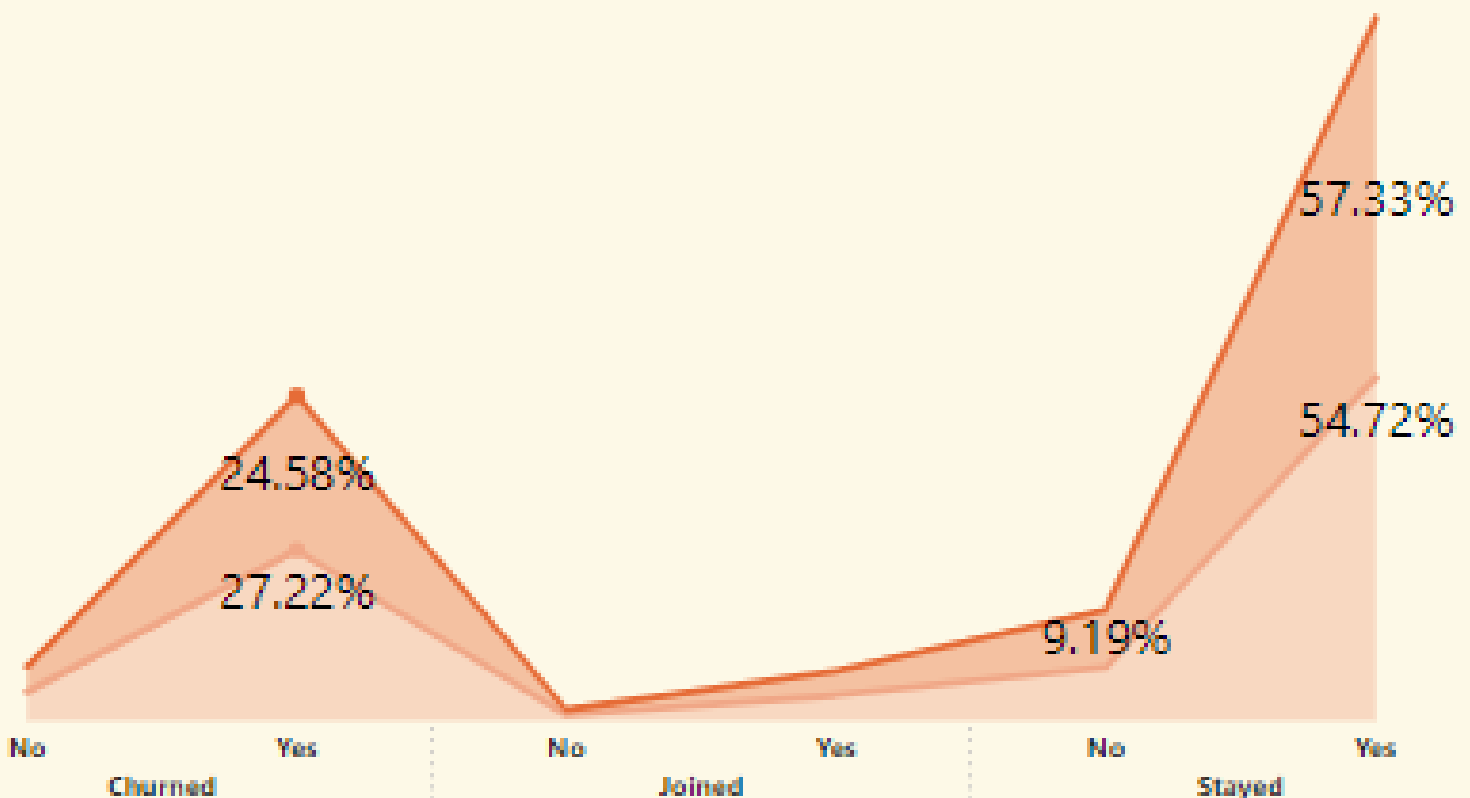
# 7-Internet Services

## A-Unlimited Data & AVG.GB Downloaded

- The chart shows that **27.22%** of customers who churned were subscribed to unlimited data plans. These customers accounted for **24.58%** of the total GB downloaded.
- This indicates that customers with unlimited plans are more likely to churn.

### Unlimited Data & AVG GB Dwonloded vs Churn

● %of Customer Status ● % of Avg Monthly GB Download

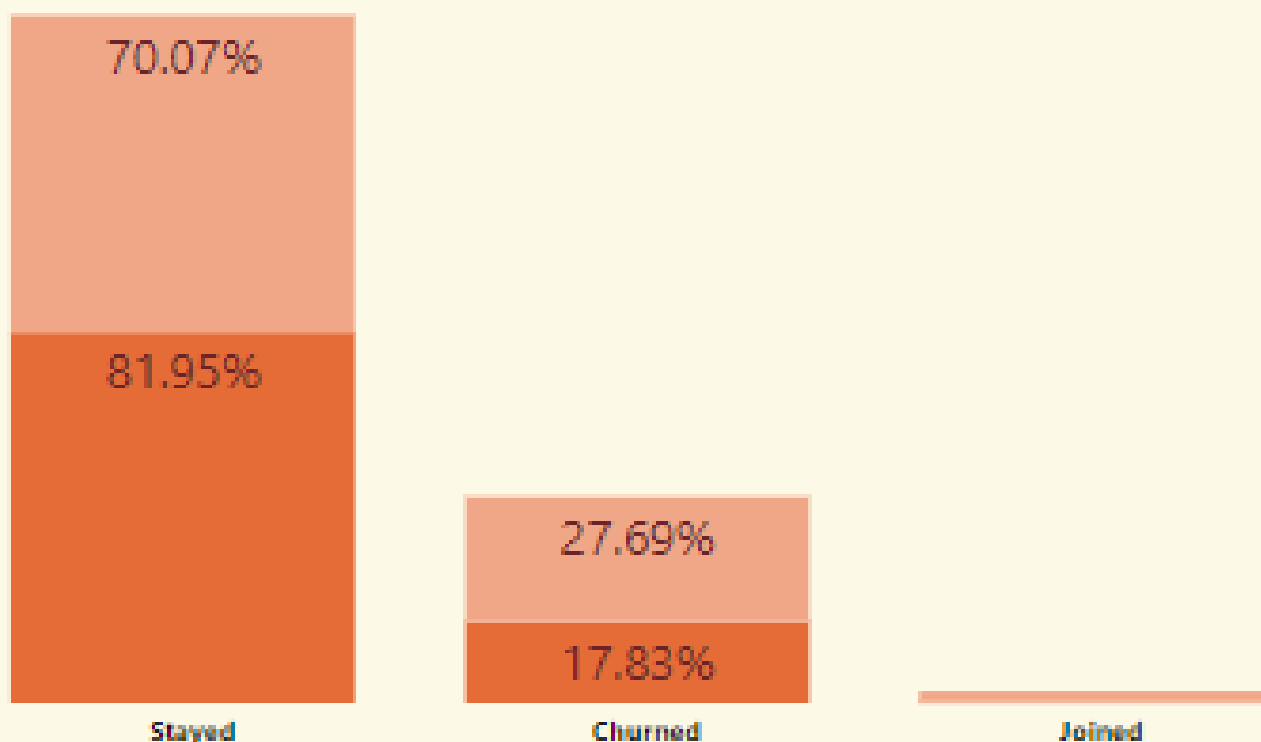


## B-Percentage of Total Charges & Extra Data Charges

- The customers who churned contributed a higher percentage to extra data charges (**27.69%**) compared to their overall contribution to total charges (**17.83%**).
- This may indicate that these customers were using more data, potentially leading to higher charges, which could have been a factor in their decision to leave.
- The **increased costs** from extra data charges might have caused dissatisfaction

% of Total Charges & % of Total Extra Data Charges vs Customer Status

■ % of Total Charges ■ % of Total Extra Data Charges



# 8-Phone Services

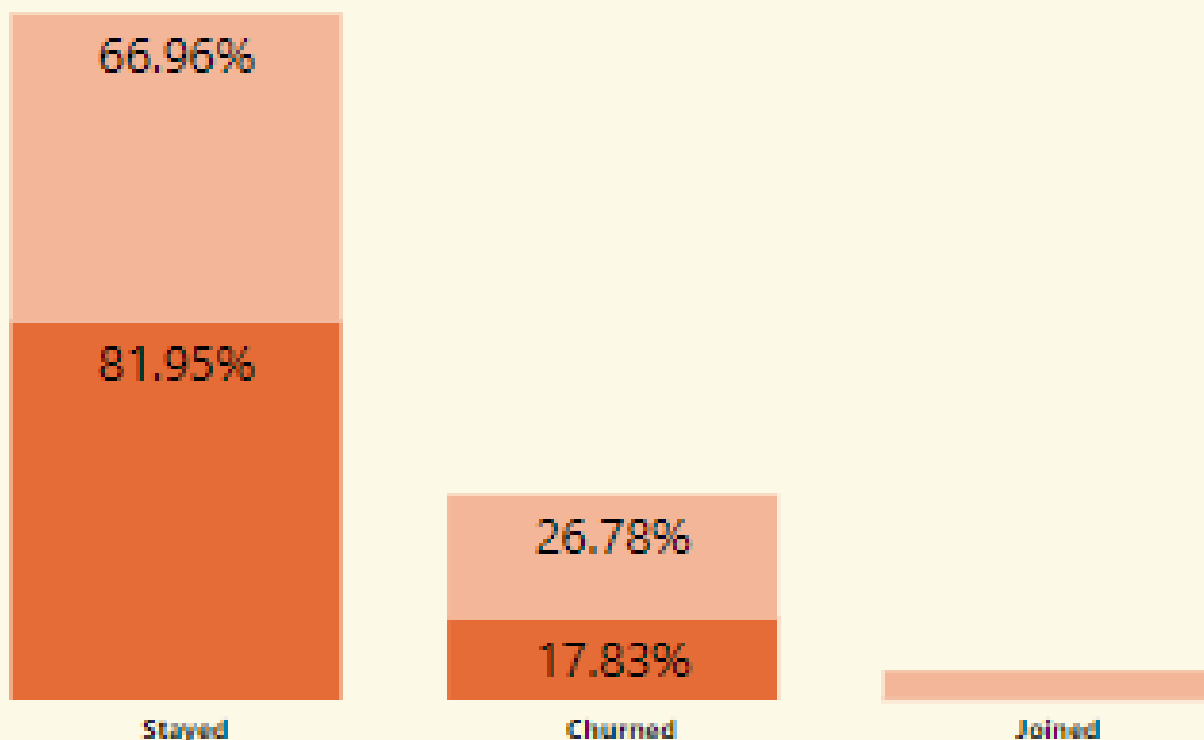
% of Total Charges: 17.83%

% of Avg Monthly Long-Distance Charges: 26.78%

- Churned customers are paying more of their total charges towards long-distance services.
- This could indicate that they faced high costs for **long-distance calls**, which may have led to dissatisfaction and ultimately caused them to leave the service.
- The disproportionate cost burden from long-distance charges might have been a key factor driving their decision to churn.

% Of Total Charges & % of AVG Monthly Long Distance Charges vs Customer Status

■ % Sum of Total Charges   ■ % of Avg Monthly Long Distance Charges



# Insights..

## **Competitor Analysis:**

- Conduct a detailed analysis of competitors offerings to develop strategies that better retain customers.

## **Customer Satisfaction:**

- Enhancing customer satisfaction, especially within support services, could significantly reduce churn rates.

## **Targeted Retention Strategies:**

- Implement targeted retention strategies in high-churn areas such as San Diego.

## **Offer Optimization**

- Reevaluate and optimize offers, particularly Offer E, to better align with customer expectations and preferences.

*Thank  
you!*