

# Summary and Recommendations

## Key Insights from Analysis

### 1. Churn and Retention Analysis

- **Churn Rate:** Approximately 27% of customers have churned, indicating a significant percentage of customers leaving.
- **Primary Churn Reasons:**
  - **Competitor Influence:** 49% of all churned customers left due to competitor offers.
  - **Price Sensitivity:** Around 21% cited price-related issues, such as extra data charges, as a churn reason.
  - **Service Dissatisfaction:** Approximately 15% of churned customers left due to dissatisfaction with the services offered (e.g., limited range of services).

2. This data suggests that competitor offers and pricing strategies are two critical areas impacting customer retention.

### 3. Financial Performance

- **Average Monthly Charge:** \$64.76, with:
  - **Low-end customers:** 25% paying below \$35.50.
  - **High-end customers:** 25% paying over \$89.85, contributing disproportionately to total revenue.
- **Total Revenue:**
  - **Average Total Revenue:** \$3,034 per customer, with a maximum individual customer revenue reaching \$11,979.
  - **Revenue from Top 10% of Customers:** This segment generates approximately 45% of the total revenue, underlining the significance of high-value customers in overall revenue.

### 4. Customer Lifetime Value (CLTV) & Satisfaction

- **CLTV:**
  - **Average CLTV:** \$4,400, with 10% of customers exceeding \$5,380, representing high long-term value to the company.
  - **High Churn Risk:** 35% of customers with a CLTV above average are marked with a churn score over 70, signaling valuable but at-risk customers.
- **Satisfaction Score:**
  - The average score stands at **3.24 out of 5**, with only **15% of customers scoring a 5**. This suggests room for improving customer satisfaction.
  - **Satisfaction and Retention:** Over 60% of churned customers have a satisfaction score below 3, highlighting a direct link between low satisfaction and increased churn likelihood.

### 5. Geographic and Demographic Insights

- **Age:**

- The **average customer age is 46**, with 40% of churned customers being seniors (age 65 and older), suggesting higher churn rates in older age groups.
  - **Dependents:**
    - Only **47% of customers have dependents**, yet these customers show a **12% higher retention rate** than those without dependents.
  - **Location:**
    - The majority of customers are from California, which has a **15% higher churn rate** than other states. Targeted strategies in high-churn regions could yield retention improvements.
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## Recommendations

1. **Competitor Countermeasures:** Nearly half of all churned customers cited competitor influence. Providing exclusive offers, particularly to high-CLTV customers, could counteract this trend.
2. **Price Sensitivity Adjustments:** Given the 21% churn due to price sensitivity, consider customized , value-driven packages to meet the needs of budget-conscious customers, potentially enhancing retention.
3. **High-Value Customer Engagement:** Since high-CLTV customers make up a significant revenue share and show elevated churn scores, targeted loyalty programs and proactive support may keep these high-value customers engaged.
4. **Satisfaction Boost Programs:** With lower satisfaction linked to higher churn, focus on improving service for low-scoring customers. An effort to elevate average satisfaction to 4 could enhance overall retention, particularly among high-risk segments.