

Summary and Recommendations

♦ Overall Churn Rate


- Approximately **26.5%** of customers have churned.
- This indicates a **1 in 4 customers** loss rate, which is substantial and should be a key focus area for retention efforts.

♦ Churn by Tenure (Customer Lifetime)

- Customers with **1–2 months tenure** account for a **significantly higher churn rate**—estimated over **50%** within this group.
- In contrast, customers who have stayed for **more than a year** have much lower churn rates, often **below 10%**, indicating stronger brand loyalty over time.



♦ Impact of Contract Type

Contract Type	% of Customers	Churn Rate
Month-to-Month	~55%	~43%
One Year	~20%	~11%
Two Year	~25%	~3%

-  **Month-to-month** contract holders are **4x more likely** to churn than those with **two-year contracts**.




♦ Service Usage Patterns

Customers who use the following services are **less likely to churn**:

-  **PhoneService**
-  **InternetService: DSL**

-  **OnlineSecurity**


In contrast, customers **not using these services** or lacking access are more prone to churn:

-  **OnlineBackup**
-  **TechSupport**
-  **StreamingTV**

Example Insight: Customers without **OnlineSecurity** may churn at a rate **15–20% higher** than those with it enabled.

♦ **Payment Method Impact**

Payment Method	Churn Rate
Electronic Check	~45%
Mailed Check	~20%
Credit Card (Auto)	~15%
Bank Transfer (Auto)	~14%

-  Customers using **Electronic Check** are **3x more likely** to churn than those using **automated payment methods**.
- Suggests a link between **manual payment friction** or **customer profile** and likelihood of leaving.

Visual Analysis Overview

Your charts and visualizations support these patterns effectively. They illustrate:

- Churn probability across **tenure buckets**
- Clear churn concentration in **month-to-month contracts**
- Higher churn among users **without bundled services**

- Stark differences in churn across **payment methods**
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Strategic Recommendations

1. **Retention Offers for New Users:** Incentivize 3+ month retention for new sign-ups.
2. **Contract Upgrades:** Promote 1-year and 2-year contracts via discounts or loyalty points.
3. **Feature Upsell:** Bundle or cross-sell services like OnlineSecurity, TechSupport.
4. **Discourage Manual Payments:** Encourage auto-pay options with added benefits to reduce churn from electronic check users.