

Telecom Customer Data Analysis

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This executive summary provides a comprehensive overview of the telecom customer data analysis, focusing on key insights related to customer churn, service adoption, and strategies to enhance retention and customer satisfaction.

Objective

The primary goal of this analysis is to examine telecom customer behavior, identify patterns of service usage, and understand churn trends. By analyzing these factors, the aim is to develop actionable strategies that will help telecom companies improve customer retention, increase service adoption, and ultimately boost customer satisfaction.

Key Findings

1. Churn Rate

- The overall churn rate among telecom customers stands at **26.5%**. This indicates that more than a quarter of customers have left the company, suggesting room for improvement in retaining customers.
- **High-Risk Groups:**
 - **Short-Tenure Customers:** Customers with less than **10 months** of tenure experience a churn rate of **42%**. This segment is highly vulnerable and needs focused retention strategies.
 - **Fiber Optic Customers:** Despite being a premium offering, **Fiber Optic** customers have a churn rate of **30%**, signaling issues with satisfaction or perceived value.

2. Tenure Insights

- The **average tenure** of customers is **32 months**, with **23%** of customers having been with the company for over **50 months**.
- Customers with **less than 10 months** of tenure have a higher likelihood of churn, making it crucial to target this group for retention efforts.

3. Service Adoption

- **Phone Services:** With a **90.3%** adoption rate, phone services are highly popular among customers.

- **Internet Services:**
 - **Fiber Optic:** Adopted by **44.6%** of customers, but faces high churn.
 - **DSL:** Adopted by **36.1%**, with a lower churn rate compared to Fiber Optic.
 - **Value-Added Services:** Adoption of services like **Online Security**, **Tech Support**, and **Device Protection** is relatively low at around **30%**.
 - **Entertainment Services:** **Streaming TV** and **Streaming Movies** services are moderately adopted, with adoption rates of **39.8%** and **38.6%**, respectively.
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Strategic Recommendations

1. Reduce Churn

- Implement loyalty programs for **short-tenure customers** (less than 10 months).
- Offer retention discounts or rewards to **Fiber Optic users** to address their high churn rate.

2. Increase Service Adoption

- Bundle underused services like **Tech Support**, **Device Protection**, and **Online Security** with more popular plans.
- Market **Streaming TV** and **Streaming Movies** more aggressively to boost adoption.

3. Enhance Customer Engagement

- Personalize marketing campaigns based on customer **tenure** and **usage patterns**.
 - Provide a better onboarding experience to help new customers understand all available services and encourage early engagement.
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Conclusion

By focusing on the key areas of **reducing churn**, **increasing service adoption**, and **enhancing customer engagement**, telecom companies can improve customer retention, strengthen their competitive edge, and increase customer lifetime value. This analysis provides a strategic roadmap for achieving these objectives and sustaining long-term growth.