**Subject:** Customer Risk Analysis Insights and Suggested Improvements

Dear Jenifer,

Following the recent customer risk analysis, I have identified several critical insights into customer churn and risk categories. Key findings include:

1. **Risk Segmentation:** Approximately 37.9% of customers fall into the "Medium" risk category, while 32.7% are "Low" risk, and 29.4% are "High" risk. Customers with less than 12 months of tenure are classified as "High Risk," indicating early-stage customers may need stronger onboarding and retention strategies.
2. **Contract Types and Tenure:** A significant proportion of churn occurs among customers with shorter contracts (particularly month-to-month). Long-term contracts correlate with lower churn rates, suggesting that encouraging customers to choose longer contract terms could improve retention.
3. **Internet Service Type:** Customers using fiber optic service account for the majority of churned customers and the highest total charges, indicating potential service satisfaction issues. DSL users show lower churn rates.
4. **Payment Method Impact:** Customers paying via electronic check have higher churn rates and a substantial total charge volume. Alternative payment methods, like automatic transfers, seem to correlate with improved retention.

**Recommendations:**

1. **Strengthen Onboarding for High-Risk Customers:** Implement a targeted onboarding and engagement program for new customers, especially those in the first 12 months, to reduce the initial churn rate.
2. **Promote Long-Term Contracts:** Offer incentives for month-to-month customers to shift to one- or two-year contracts, potentially reducing churn by increasing customer tenure.
3. **Improve Fiber Optic Service Satisfaction:** Investigate customer feedback on fiber optic services and address any recurring issues. Enhancing service quality here may reduce churn among high-paying customers.
4. **Encourage Automated Payment Options:** To reduce churn among electronic check users, consider promoting automated bank or credit card payments through discounts or other incentives.

Implementing these strategies could help us retain high-risk customers more effectively and improve overall customer satisfaction. Please let me know if you’d like a deeper dive into any specific area or have additional suggestions.

Best regards,  
Khokan