24 October 2025

CUSTOMER CHURN DATA ANALYSIS REPORT

1. DATASET OVERVIEW

- A. The dataset contains information about **3,150 customers** of a telecom company.
 - Each record represents a customer with numerical features describing their usage behavior, subscription details, and demographics.
- B. Main features:
- Call Failure: Number of failed call attempts.
- Complains: Whether the customer has made a complaint (0 = No, 1 = Yes).
- Subscription Length: Duration (in months) of the customer's subscription.
- Charge Amount: Amount charged to the customer.
- Seconds of Use: Total seconds of call usage.
- Frequency of Use: How often the customer uses the service.
- Frequency of SMS: Number of SMS messages sent.
- **Distinct Called Numbers:** How many unique numbers the customer has called.
- Age Group / Age: Customer's age group and actual age.
- Tariff Plan: Type of plan or package the customer is subscribed to.
- Status: Indicates the customer's account status.
- Customer Value: Calculated overall value of the customer to the company.
- Churn: Target variable 1 if the customer left (churned), 0 if they stayed.

The goal of this analysis is to understand the factors influencing customer churn and to predict which customers are at risk of leaving.

2. OBJECTIVE

The primary objective is to analyze customer behavior and find patterns that distinguish churned customers from loyal ones.

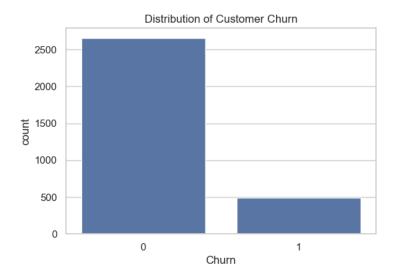
This understanding can later be used to build predictive models for **churn prediction** and design **retention strategies**.

3. VISUAL ANALYSIS AND INSIGHTS

Below are the visualizations used and what they reveal:

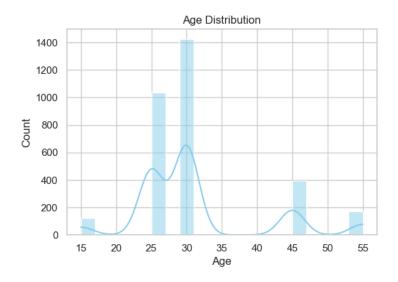
• Distribution of Churn

→ Shows the proportion of churned vs. retained customers. Helps identify class imbalance (most customers stayed).



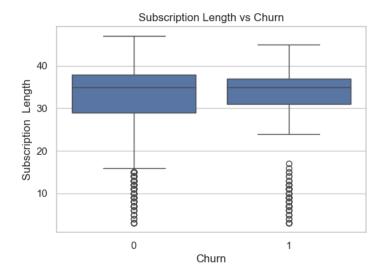
• Age Distribution

→ Displays the age spread of all customers. Reveals dominant customer age ranges.



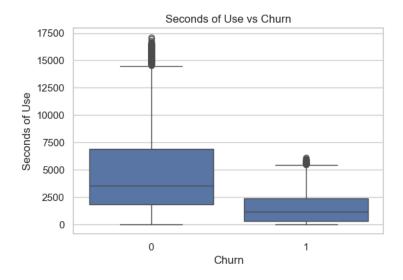
• Subscription Length vs Churn

→ Compares how long customers stayed before churning. Longer subscription lengths are typically associated with lower churn.



• Seconds of Use vs Churn

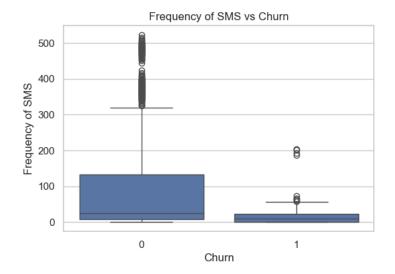
→ Examines the relationship between total usage and churn. Customers with lower usage tend to churn more often.



• Frequency of SMS vs Churn

→ Indicates communication activity levels.

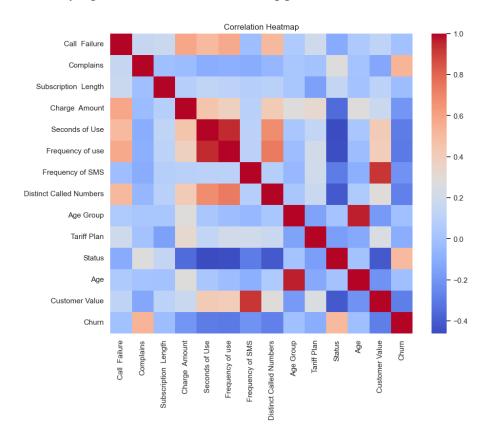
Less active users in SMS are more likely to churn.



• Correlation Heatmap

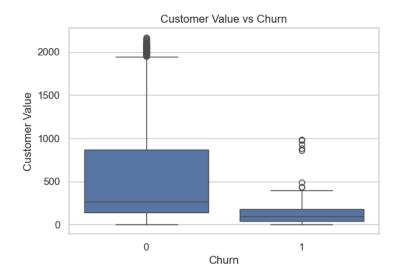
→ Highlights correlations between numeric features.

Useful for identifying redundant features or strong predictors of churn.



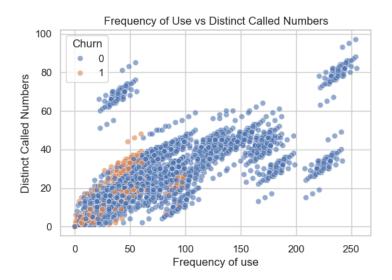
• Customer Value vs Churn

 \rightarrow Compares the value of customers who stay vs. leave. High-value customers are often more loyal and less likely to churn.



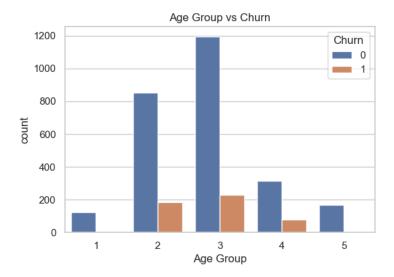
• Frequency of Use vs Distinct Called Numbers

→ Shows relationships between usage frequency and number of contacts. Reveals different behavioral clusters among users.



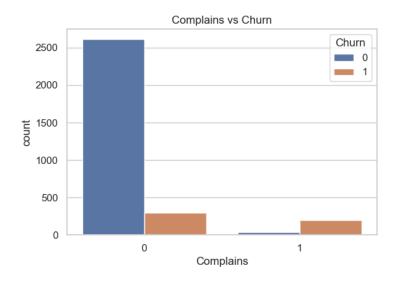
• Age Group vs Churn

→ Demonstrates which age groups have higher churn rates. Some age groups may show stronger loyalty patterns.



• Complains vs Churn

→ Tests if making complaints correlates with higher churn probability. Usually, complaining customers have a higher risk of leaving.



4. SUMMARY

This exploratory data analysis (EDA) provides a clear understanding of customer characteristics and their relationship with churn. From the results:

- Low usage and shorter subscriptions increase churn risk.
- Customer complaints strongly correlate with churn.
- Younger or less-engaged users are more likely to leave.

These insights are critical for designing retention campaigns and serve as a foundation for building predictive churn models.

Dataset's link