**Customer Churn Analysis Report**

*Prepared by Adeniyi Fajemisin*

**Key Findings:**

1. Churn Rate:

* The churn rate among the client's customers is 9.7%, indicating a noteworthy but manageable level of customer attrition.

1. Customer Segmentation:

* A significant proportion of churned customers belongs to the category with low consumption levels. This segment represents the majority of the client's customer base.
* The data distribution is skewed to the left, highlighting that most customers are low consumers.

1. Churn-Price Correlation Gap:

* The cluster map analysis indicates a substantial gap in correlation between customer churn and pricing factors.
* Specifically, there is a low correlation between customer churn and pricing-related variables, suggesting that the decision to churn may be influenced by factors other than pricing alone.

1. Pricing Metric Proposal:

* To enhance the analysis of pricing dynamics, it is suggested to explore a metric that captures the total payment made by customers. This metric can be calculated by considering the pricing variables over time, providing a comprehensive view of the financial commitment of customers.

**Data Gaps and Suggestions for Augmentation:**

1. Pricing Information:

* Acquire detailed pricing information, including discounts, promotions, and changes in pricing strategy over time. This will facilitate a comprehensive analysis of the correlation between pricing dynamics and churn.
* Explore the proposal for a pricing metric representing the total payment made by customers to gauge the significance of price in their decision-making.
* Explore partnerships or data-sharing agreements with industry sources to obtain competitor pricing data. Comparing the client's pricing with competitors will provide insights into the client's competitive position in the market.

1. Customer Service Interaction Logs:

* Obtain logs of customer service interactions, encompassing calls, inquiries, and resolutions. This data will shed light on customer satisfaction levels, common issues, and areas for improvement in customer service.

**Conclusion:**

The analysis reveals valuable insights into customer churn, particularly the concentration of churn within the low consumption segment. Addressing data gaps and understanding the low correlation between churn and pricing variables will empower the client to refine strategies, optimize pricing models, and improve overall customer satisfaction. The proposal for a pricing metric adds depth to the pricing analysis, providing a clearer picture of the financial relationship with customers. A holistic approach to retention, encompassing both pricing and non-pricing factors, is recommended for sustained customer loyalty.