Project Summary

Purpose

This analysis aims to uncover the key elements contributing to customer turnover, with an emphasis on billing preferences, subscription duration, customer loyalty period, and user demographics. The insights gained are intended to assist in crafting better retention frameworks.

Core Observations

📝1. Influence of Subscription Duration

- Clients on **monthly rolling contracts** exhibit the **highest likelihood of leaving**, with nearly **4 out of 10** opting out.
- Conversely, those signed up for **annual or biennial agreements** demonstrate greater loyalty, showing dropout rates of just **11%** and **3%**, respectively.
- **Insight**: Long-term contractual commitments significantly bolster customer stability.

📝 2. Billing Method Preferences

- Users who pay via **e-checks** are associated with the **highest churn levels**, hovering around **45%**.
- In contrast, individuals using **credit cards**, **direct bank debits**, or **postal checks** experience churn rates closer to **15–18%**.
- **Interpretation**: Payment friction or lack of confidence in certain methods could be influencing decisions to discontinue.

3. Loyalty Period Effects

- Customers with shorter association periods show higher dropout probabilities:
    - o **<12 months**: ~**50%** churn
    - o **1–3 years**: declines to **35%**
    - º **3+ years**: stabilizes at **15%**
- **Conclusion**: The first year represents a critical window where relationship-building efforts are most needed.

📝 4. Internet Service Type Implications

- ☐ Users of **fiber broadband** tend to depart at higher rates (**30%**) than
- ☐ **DSL users** (**20%**).
  Takeaway: Elevated expectations or dissatisfaction might be causing fiber users to switch. Understanding service perception is vital here.

📝 5. Demographic Impact: Seniors

- ☐ Among senior users (above 65 years), **churn is 41%**, notably higher
- ☐ than **26%** seen in younger customers.
  Recommendation: Tailored engagement strategies may be necessary for this age group, perhaps with easier support access or simplified digital experiences.

Visual Trends

📝 Chart-Based Insights

- ☐ Churn rates were visually mapped across different variables.
- ☐ The gap between flexible and fixed contracts is visibly stark.
- ☐ E-check users show a substantially higher exit trend when visualized
- ☐ alongside other methods.
  A steady decline in attrition was observed as tenure increased, reinforcing the importance of long-term value creation.

📝 Summarized Churn Breakdown

Category	Group	Exit Rate
Subscription Type	Monthly	42%
	Yearly	11%
	Two-Year	E-Check 45%
		39%
	Others	15–18%
Payment Mode		
Customer Age	65+	41%
		26%
	Below 65	
Tenure	<1 Year	50%
	1–3 Years	35%

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Category	Group	Exit Rate
Internet Service	3+ Years	15%
	Fiber	30%
	DSL	20%

Strategic Recommendations

✓ Promote Long-Term Engagement
Incentivize multi-year plans through exclusive deals or loyalty rewards.

✓ Streamline Payment Channels

Educate users on secure payment alternatives and promote seamless billing experiences.

✓ Strengthen First-Year Relationships

Develop onboarding programs, loyalty perks, or periodic check-ins for recent customers.

✓ Focus on Elderly Retention

Offer age-sensitive support, clearer instructions, and specialized communication for senior users.

✓ Evaluate Fiber Service Quality

Gather feedback and optimize performance or expectations for high-speed internet users.