

Cable Customer Defection

Tran Huu Khai Quan

Sumary

- Problem:
- Cable customer defection rate has been increasing lately
- Solution:
- Help company to figure why defection rate grow rapidly and suggest some solution to the problem

Problem

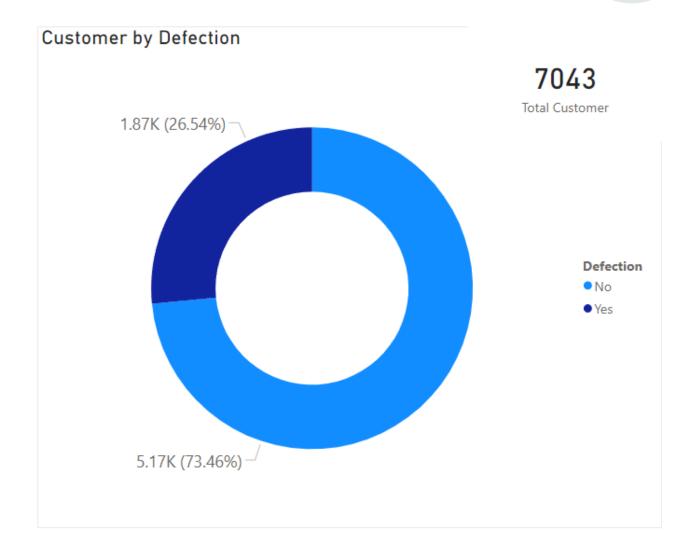
- What:
- The customer defection rate last month was?
- Is the key factors in predicting the defection behavior
- Is the services dissatisfied the customer

Customer Defection Rate

Customer defection rate has rise 26.54 % compared to last month

1.87K customer defection on 7K total customer

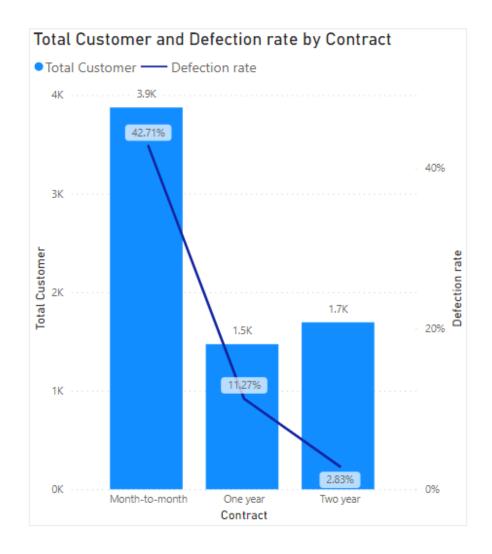
Why is this rate so high?



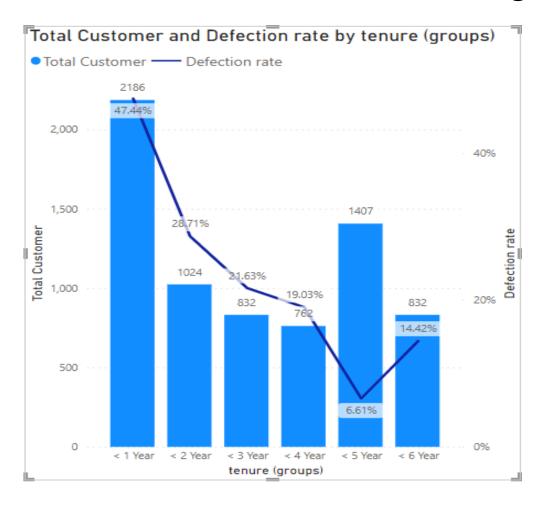
Key Factor: Contracts length and customer tenure

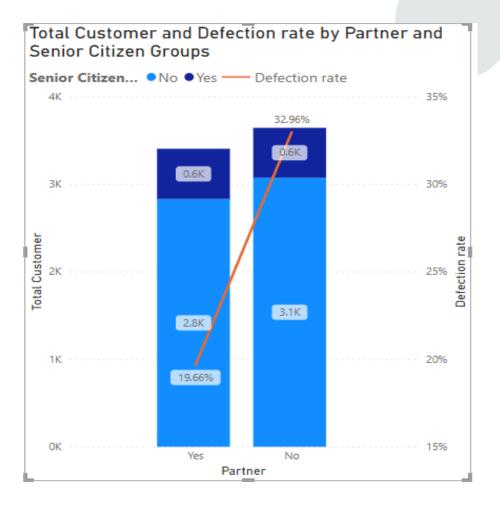
The length of the contract and the tenure of the customer are key factors in predicting the defection behavior. Customers who have a monthly contract and a lower tenure are more likely to switch to other providers.

Customers who do not have any dependents or partners are more prone to defection than those who do.



Customer tenure and Customer age, relationship





Solution:

The company should consider extending the basic contract plan from one month to three or six months. This would encourage customers to stay longer with the company and reduce the defection rate.

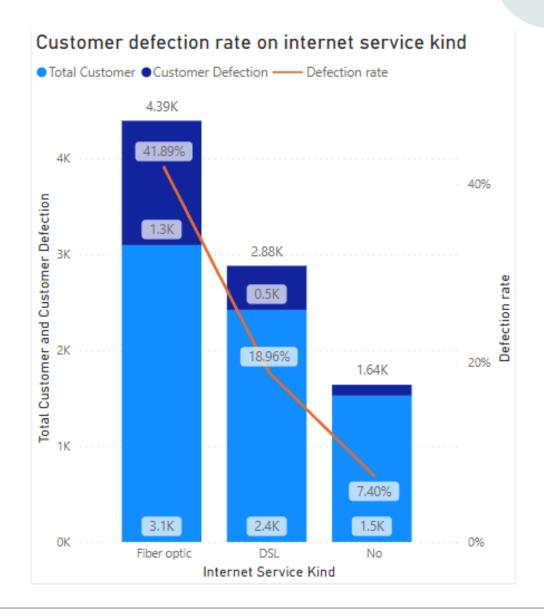
The company should also target customers who are single and have no family obligations. They have the potential to become loyal customers if they are offered attractive deals and discounts. The company should adopt a 'Catch them Young' strategy for this segment.

Internet service and customer defection rate

Customers who use Fiber Optic internet service have a higher defection rate than those who use other types of internet service.

Solution:

Upgrade the fiber optic internet service may lower the defection rate

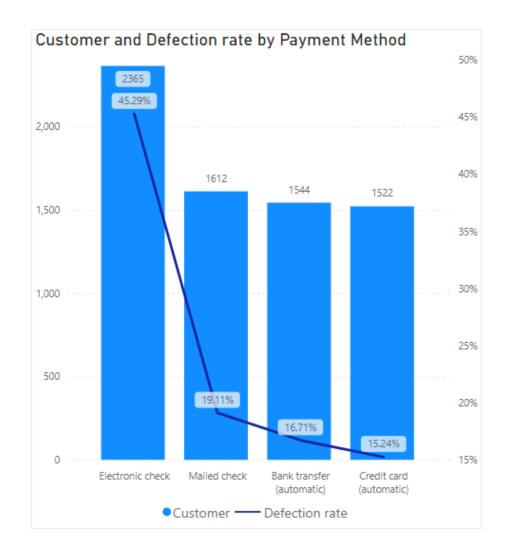


Payment method and customer defection rate

Electronic check being the most common among the defection customers.

Solution:

Consider changing the payment method to automatic like bank transfer or credit card transfer to lower the defection rate

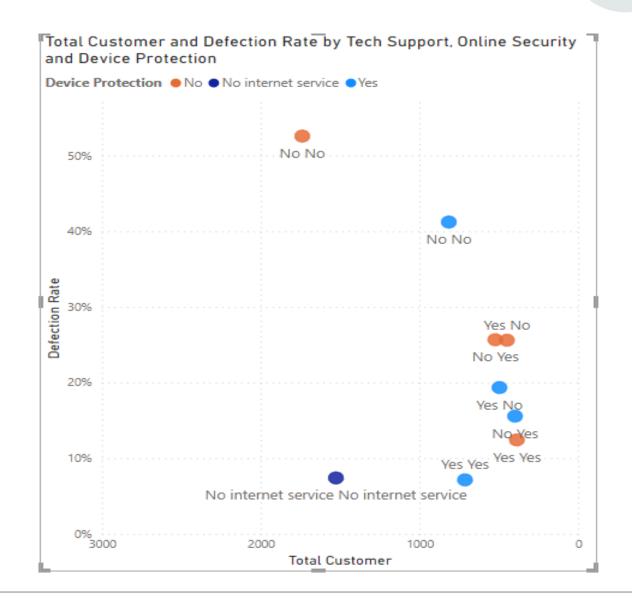


Special services

Customers who do not receive services such as Tech Support, Device Protection, and Online Security are more dissatisfied and tend to look for other options.

Solution:

The company should provide basic services such as device protection, tech support, and online security as part of their standard package. These services can increase customer satisfaction and loyalty and prevent them from switching to competitors.



Thank you