

Customer Churn Analysis Report

Executive Summary

CRITICAL CHURN DRIVERS:

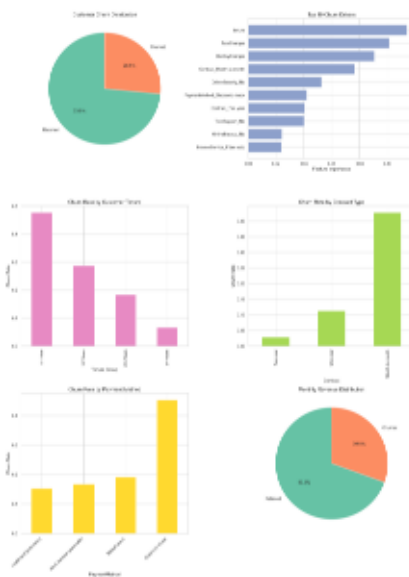
1. Contract Type: - Month-to-month contracts have 42.7% churn rate (vs 2.8% for two-year contracts)
2. Tenure: - New customers (0-1 year) have 47.7% churn rate (vs 6.6% for loyal customers)
3. Internet Service: - Fiber optic users have 41.9% churn rate (vs 19.0% for DSL users)
4. Payment Method: - Electronic check users have 45.3% churn rate (vs 16.7% for automatic payments)
5. Online Security: - Customers without online security have 41.8% churn rate (vs 14.6% with security)

FINANCIAL IMPACT ANALYSIS:

- Average monthly revenue per customer: \$64.76
- Estimated annual revenue loss: \$1,669,570
- Potential savings from 10% churn reduction: \$147,782/year

ACTIONABLE RETENTION STRATEGIES:

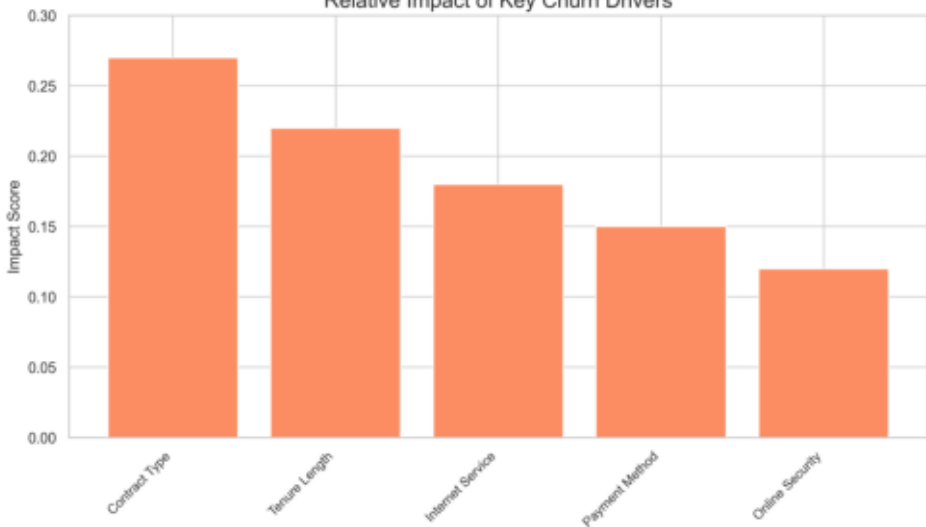
1. Contract Incentives:
 - Convert month-to-month to annual contracts with 10% discount
 - Offer loyalty bonuses for 2-year commitments
2. High-Risk Onboarding:
 - Dedicated support team for new customers (0-6 months)
 - Special welcome offers for first-year subscribers
3. Service Improvements:
 - Quality assurance program for fiber optic users
 - Free speed upgrades during peak hours
4. Payment Optimization:
 - 5% discount for automatic payment enrollment
 - Payment failure protection program
5. Security Bundling:
 - Include basic security with all internet packages
 - Free security suite trials for at-risk customers



Key Insights & Recommendations

1. Contract Incentives:
 - Convert month-to-month to annual contracts with 10% discount
 - Offer loyalty bonuses for 2-year commitments
2. High-Risk Onboarding:
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3. Service Improvements:
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Relative Impact of Key Churn Drivers



Estimated Churn Reduction Impact of Strategies

