Churn Customer Data Analysis

Through the analysis done on the Customer Churn Data. Following factors are found to have more impacts on customers to leave the service. With proper rectification done in the below insights, churn customers will be highly reduced.

1. **Total Churn Rate**:
   - Approximately **26.54%** of users in the dataset have churned, indicating that over a quarter of the customer base decided to leave the service. This is a significant proportion and warrants investigation into the factors driving customer attrition.
2. **Gender Influence**:
   - Analysis suggests that **gender does not significantly affect churn** rates, as the percentages of churn for both male and female customers are nearly identical. This implies that gender-based strategies may not be necessary for reducing churn.
3. **Senior Citizen Status**:
   - Although senior citizens make up a smaller portion of the customer base, they show a **comparatively higher churn rate**. This finding highlights an opportunity to investigate the specific needs or challenges faced by senior customers and design targeted retention strategies for them.
4. **Tenure Duration**:
   - Customers with shorter tenure, especially those with only **1-2 months of service**, have a much higher churn rate. This pattern suggests that **new customers are more likely to leave**, perhaps due to unmet expectations or onboarding issues. Enhancing the customer experience in the initial months could be beneficial for retention.
5. **Contract Type**:
   - Customers on **month-to-month contracts** are more prone to churn compared to those with longer-term contracts (e.g., 1-year or 2-year contracts). This trend points to the value of offering incentives for longer-term commitments, as customers with short-term contracts appear to have lower loyalty.
6. **Service and Support Factors**:
   - Churn is notably higher among customers using **Fiber Optic services** compared to other internet services. Additionally, customers who lack **online security, online backup, device protection, and technical support** are more likely to leave, which suggests that offering comprehensive service packages could improve retention.
7. **Payment Method**:
   - Customers who use **Electronic checks** as their payment method have a higher likelihood of churning compared to those who use automatic payment methods

like **bank transfers or credit cards**. Encouraging electronic check users to switch to automatic payments might reduce churn.

Conclusion

This analysis identifies several key drivers of churn in the customer base. Strategies to reduce churn could focus on:

- Improving the onboarding experience to retain new customers.
- Encouraging long-term contract commitments through incentives.
- Offering bundled service packages, especially for customers using Fiber Optic services, to ensure comprehensive support.
- Promoting automatic payment methods to enhance convenience and reduce attrition rates.

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- Thanks to Ayushi Jain for
   teaching thoroughly