**CUSTOMER RETENTION ANALYSIS**

1. **PROJECT PROBLEM STATEMENT:**

The company PhoneNow is experiencing high customer churn. The goal is to analyze customer data to identify areas to improve customer retention.

1. **PROJECT OBSTACLES/COMPLICATIONS:**

* Large amounts of customer data need analysis to identify factors influencing churn
* Multiple factors likely contribute to churn and need to be analyzed.

1. **APPROACH ADOPTED:**

* Use the Power BI dashboard to visualize customer data
* Create charts analyzing customer demographics, account info, services, charges, and contract types
* Filter data for churned customers to identify trends and patterns

1. **TECHNIQUES AND TOOLS:**

* Power BI used to ingest, model, and visualize customer data
* Visualizations include bar charts, pie charts, line graphs, and tables
* Slicers used to filter data by churn, internet service, contract type etc.

1. **ANALYSIS:**

* Over 50% of churned customers had fiber optic internet service.
* Churn highest amongst customers with month-to-month contracts.
* Longer tenure customers and those with 1 or 2 year contracts had lower churn.
* Electronic check customers had lowest churn compared to other payment types.

1. **BUSINESS RECOMMENDATIONS BASED ON INSIGHTS :**
2. **Focus retention efforts on fiber optic internet customers** - Since over 50% of churned customers had fiber optic service, additional retention offers/incentives could be targeted to these customers specifically to encourage them to stay. Things like discounted service, upgraded speeds, or bill credits could be offered.
3. **Encourage longer contracts** - Given the high churn among month-to-month customers, the business could encourage longer 1- or 2-year contracts with discounts/promotions during signup. This locks customers in for longer and the analysis shows longer tenure clients have lower churn.
4. **Highlight payment options** - The analysis revealed electronic check customers had the lowest churn compared to other payment types. The business could highlight and push this payment option more to new customers during signup to increase the chance they stick with this easy payment method and remain loyal customers.
5. **Develop a customer loyalty program** - Implement a formal loyalty/rewards program for long-tenured customers to incentivize them to stay. Things like service credits, speed boosts, or other rewards could be given for retention.
6. **Survey churned clients** - Conducting surveys/interviews with churned clients could provide more direct feedback about why they left and could inform additional retention strategies. The root causes could address more reasons than just the analytical insights.
7. **CONCLUSION:**

In summary, analysis of PhoneNow's customer data revealed fiber optic customers, month-to-month contracts, and non-electronic payments correlated strongly with churn. Our core recommendations are to prioritize fiber optic customer retention, incentivize longer contracts, promote electronic checking, develop a loyalty program, and survey former customers. Executing on these targeted strategies will improve customer engagement, satisfaction, and loyalty – key factors shown to reduce churn. With a robust, data-driven retention strategy, PhoneNow can curb churn trends and nurture a growing lifelong customer base.