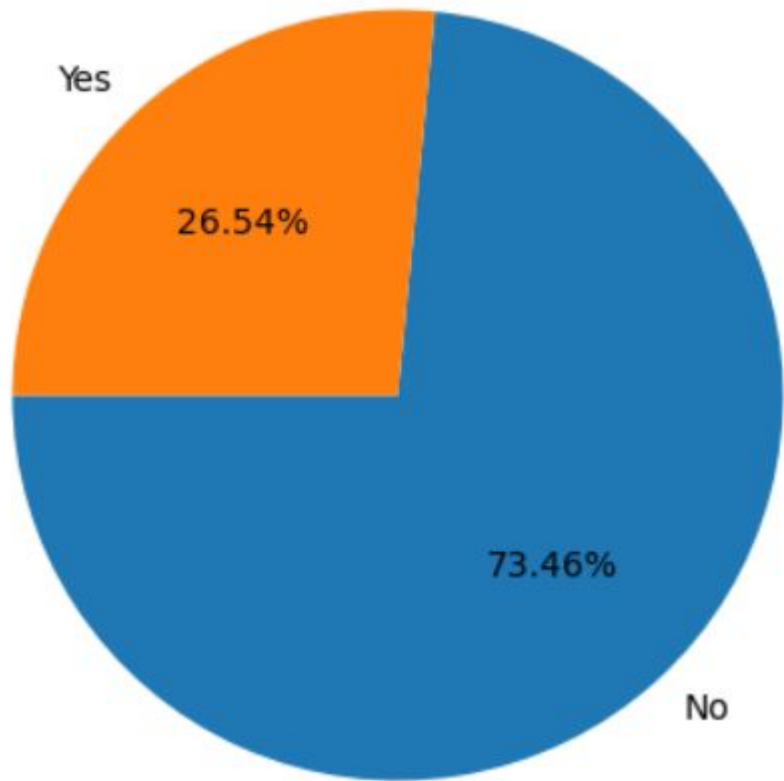


Customer Churn Analysis

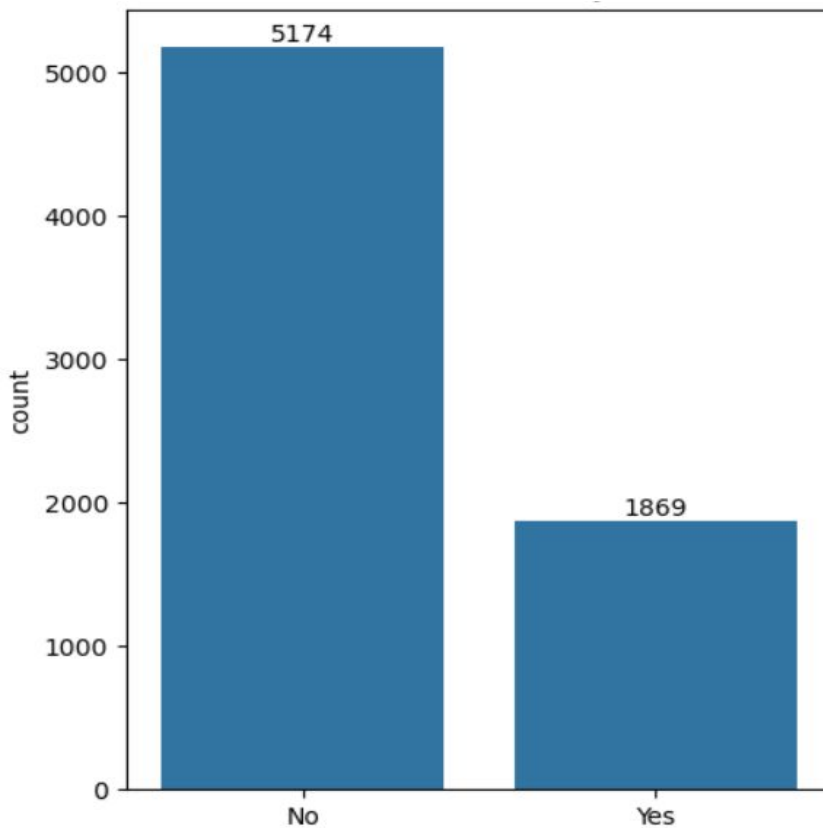
Telecom Industry

The analysis explores customer churn patterns, focusing on various factors such as payment methods, contract types, tenure, and demographic attributes. The goal is to identify which factors are most strongly associated with higher churn rates to guide customer retention strategies.

Objective

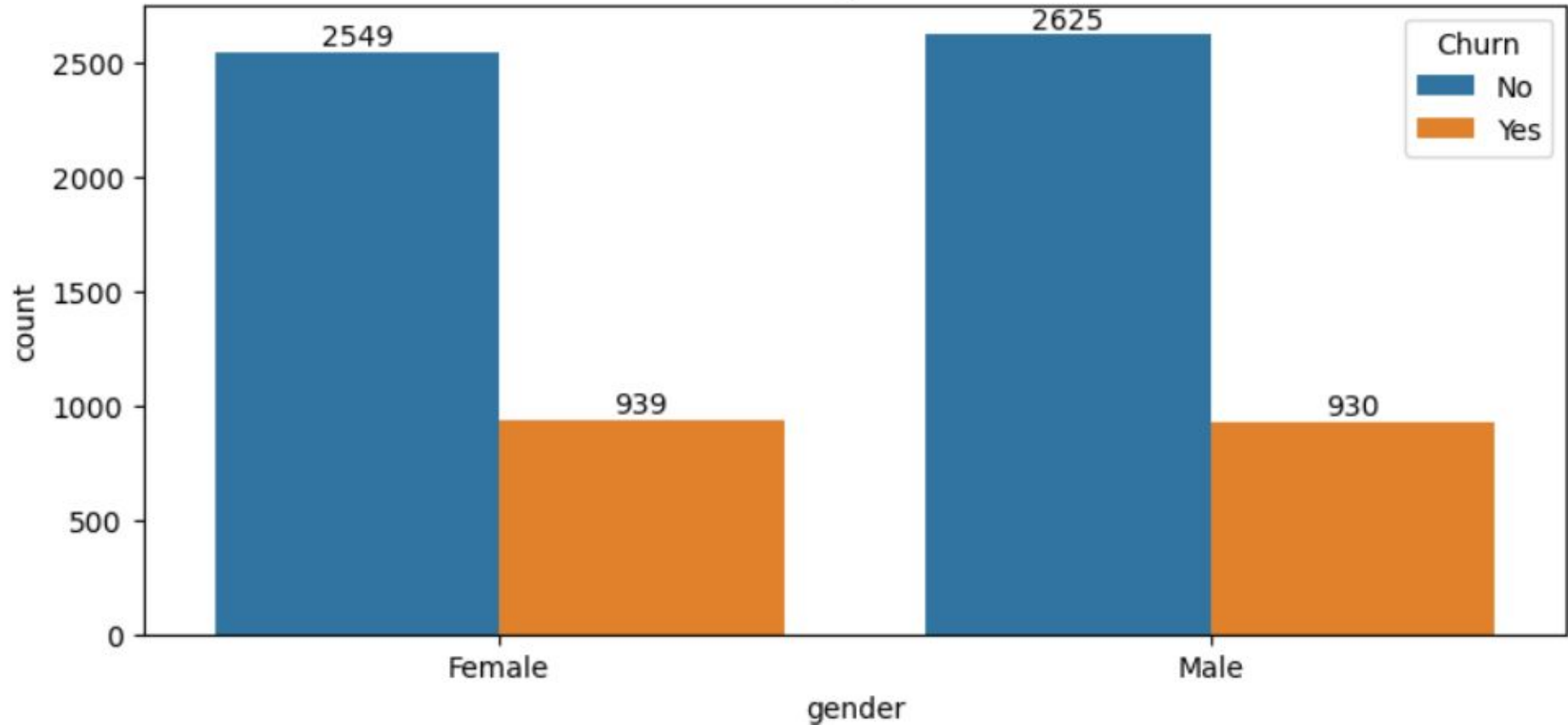


Customers Churning Percentage

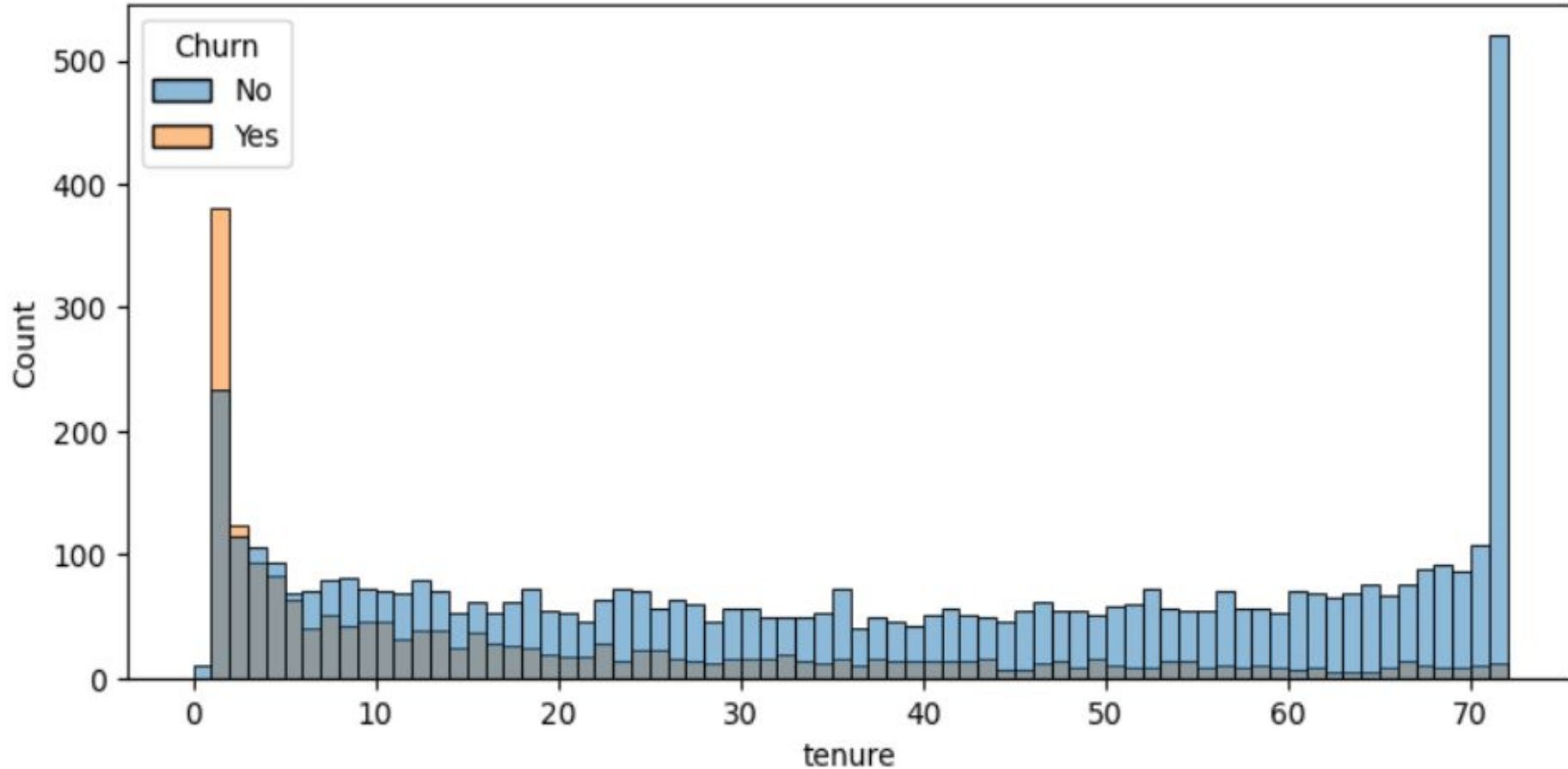


Customers Churning Count

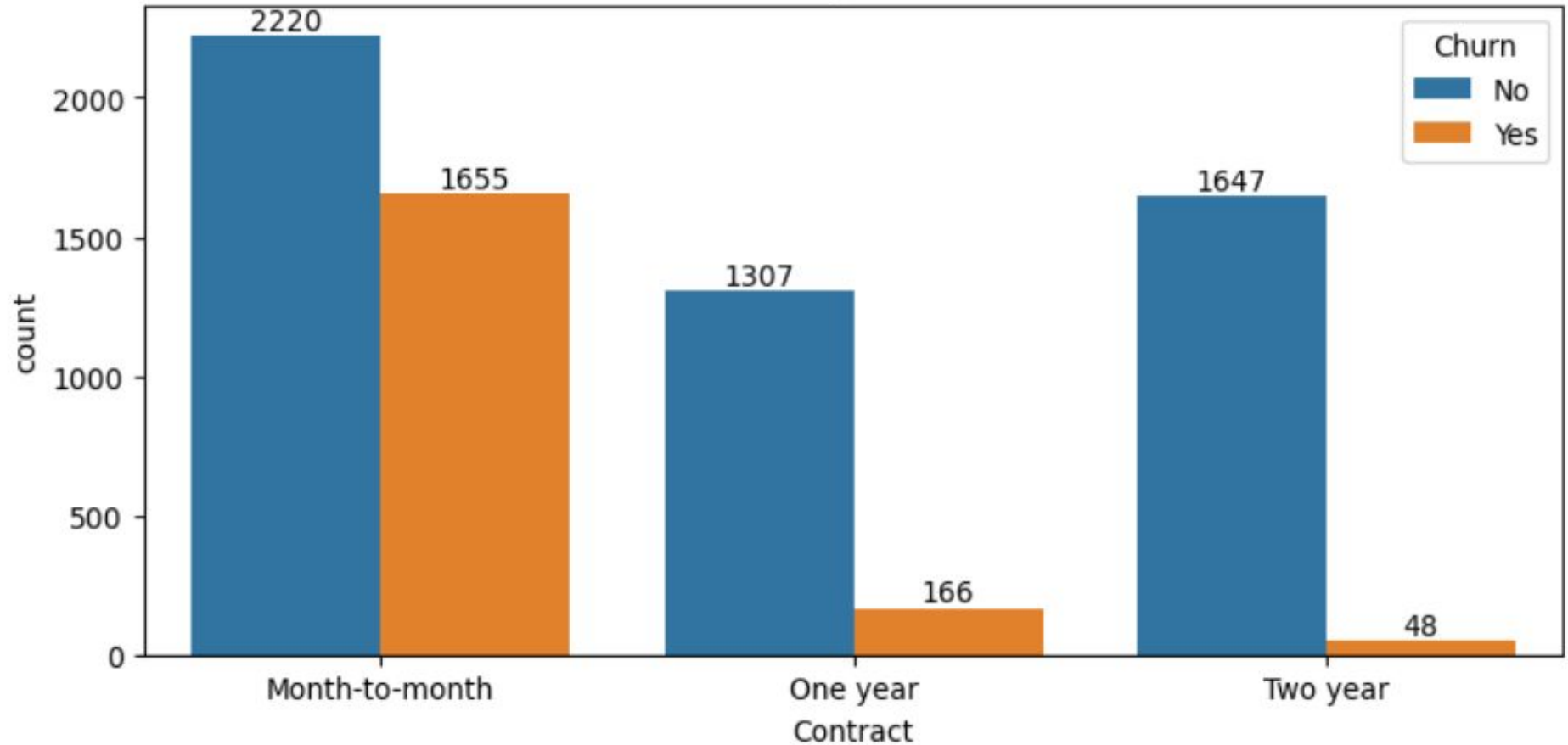
Does Gender Affect Churn?



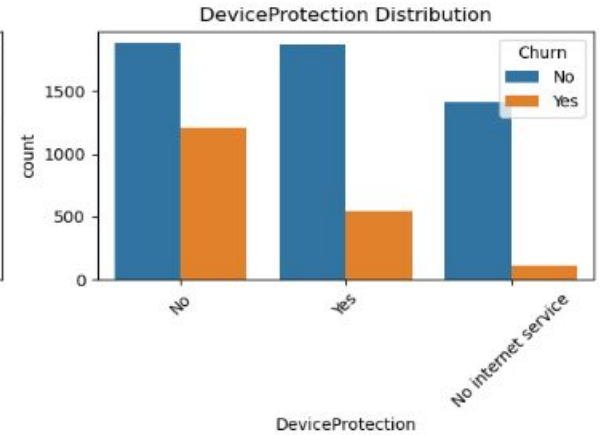
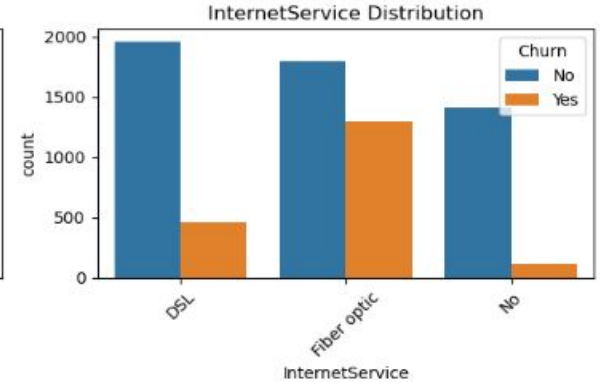
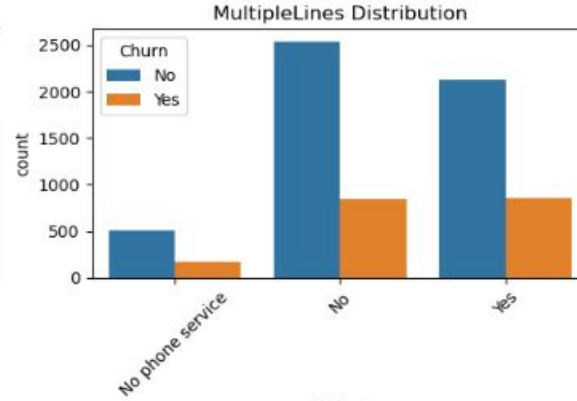
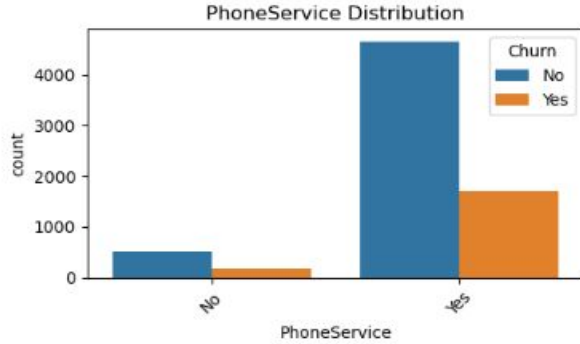
Do Long-Term Customers Stay Loyal?



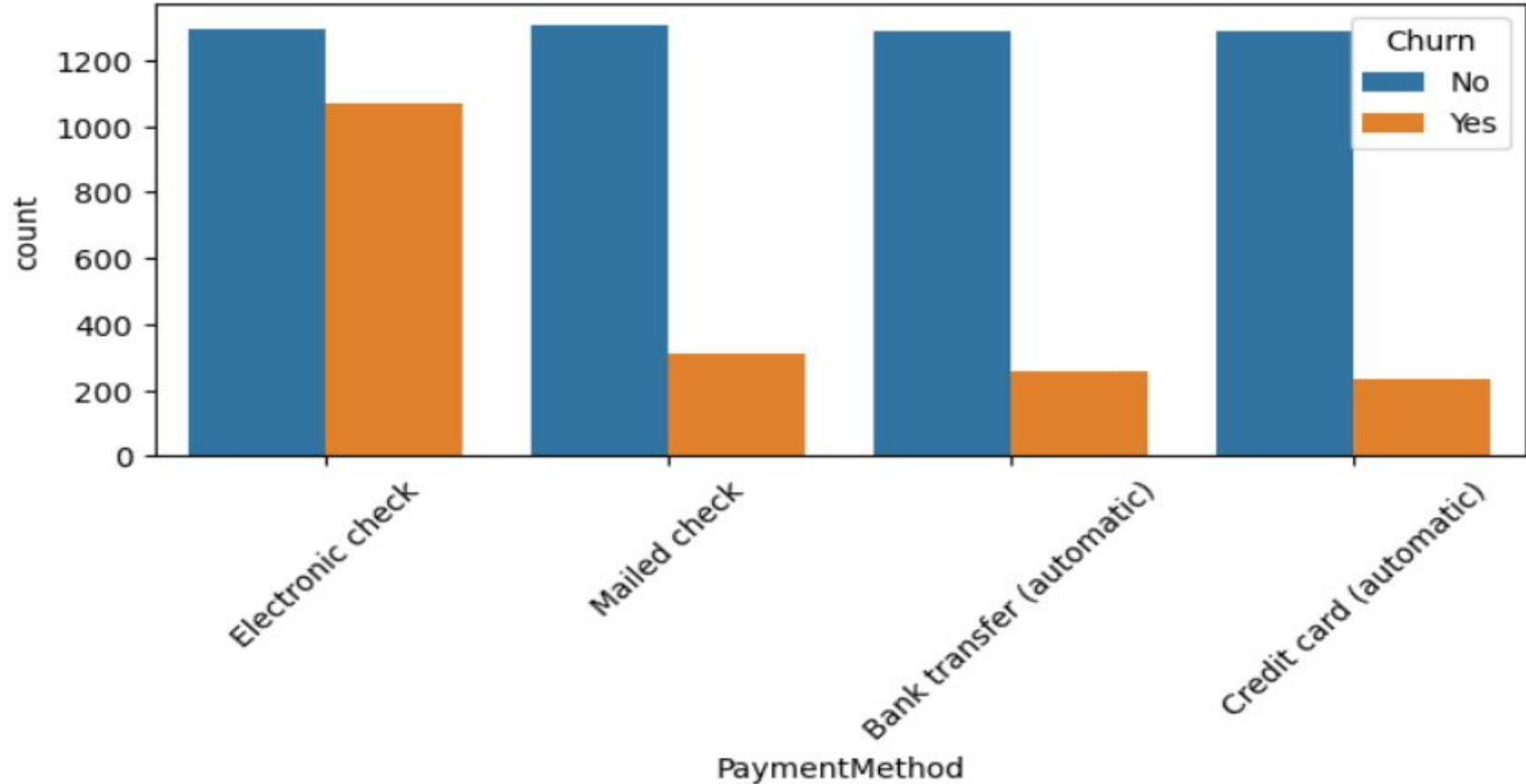
Are Higher Charges Driving Customers Away?



Which Services Are Linked to Churn?



Does Payment Method Affect Churn?



Key Insights & Findings:

1. Contract Type and Churn

- Customers with **month-to-month contracts** have the highest churn rate at **42%**. In contrast, those on **one-year and two-year contracts** churn at **11%** and **3%**, respectively.
- **Insight:** Long-term contracts significantly reduce churn and foster customer retention.

2. Payment Methods

- Customers paying via **electronic checks** exhibit the highest churn rate at **45%**. Other methods like **credit cards, bank transfers, or mailed checks** have churn rates around **15–18%**.
- **Insight:** Customers may perceive electronic checks as less secure or convenient.

3. Customer Tenure

- **First-year customers** churn the most, with a **50%** churn rate. This rate decreases to **35%** (1–3 years) and **15%** (3+ years).
- **Insight:** Customer engagement in the first year is critical to improving retention.

4. Internet Service Type

- Customers using **Fiber Optic** services show a higher churn rate (**30%**) compared to **DSL** users (**20%**).
- **Insight:** Dissatisfaction with service quality or competition could be contributing factors.

5. Senior Citizens

- **Senior citizens (age 65+)** churn at a rate of **41%**, compared to **26%** for younger customers.
- **Insight:** Seniors may benefit from more personalized support or dedicated service options.

Recommendations

1. Encourage Long-Term Contracts

- Offer incentives (e.g., discounts, loyalty rewards) to promote 1–2 year contracts.
- Clearly communicate the value of long-term commitments.

2. Improve Payment Method Experience

- Educate customers on more secure and reliable payment options.
- Run targeted campaigns to convert electronic check users to safer methods like credit cards or auto-debit.

3. Strengthen First-Year Engagement

- Design onboarding programs to boost early satisfaction.
- Use proactive customer service touchpoints within the first 3–6 months.

4. Address Fiber Optic Churn

- Conduct customer surveys to understand dissatisfaction.
- Improve service quality, responsiveness, and speed if needed.

5. Launch Senior Support Initiatives

- Provide personalized plans or support for senior customers.
- Offer simple billing, dedicated helplines, or caregiver account features.