Summary/Analysis

*The percentage of subscribers to a service that discontinue their subscription to that service in a given time period.

Postpaid and blended churn rates: This churn rate is based upon the losses of both pre-paid and contract customer. Post-paid subscribers are a telecom company's one of the biggest revenue segments since they have a significant lifetime value for telecom companies.

Predictive Churn Modeling: Predictive technology is a body of tools capable of discovering and analyzing patterns in data so that past behavior can be used to forecast likely future behavior. Predictive technology is increasingly used for forecasting in most of the Telecom companies' balance sheet. The raw data can be processed to get predictions about consumer behavior for future campaigns.

SOLUTIONS TO REDUCE CHURN RATE

Personalized Tariff plans and service recommendations to each subset of subscribers because a one-size-fit strategy is no longer suitable for telecom sector, every user has a different purpose and usage pattern.

One-on-one Marketing is one of the best tactics to reduce churn rate. Make sure that customers are communicated the new services offering based on their usage analysis and trends and should be given proactive information on the plans which will benefit the customer.