# Report OF Analysis

**1. Overall Churn**

* **Churn Rate:** 26.54% of all customers have left (“Churn = Yes”), while 73.46% remain active.

**2. Senior Citizen vs. Non-Senior**

* **Senior Citizens (age 65+):**
  + Represent roughly 16% of your base.
  + **33.1%** of senior customers churned, compared to **66.9%** who stayed.
* **Non-Senior Customers:**
  + Make up the remaining 84%.
  + Only **24.8%** churned, while **75.2%** stayed.

*Implication:* Senior customers are about 34% more likely to leave than younger ones.

**3. Tenure Distribution**

* Customers grouped by months with the company show a steep drop-off early:

| **Tenure (months)** | **% of Customers** | **Churn Rate within Group** |
| --- | --- | --- |
| 0–2 | 12.3% | 40.2% |
| 3–6 | 15.7% | 31.5% |
| 7–12 | 18.1% | 22.8% |
| 13–24 | 20.4% | 15.6% |
| 25–48 | 17.8% | 10.4% |
| 49+ | 15.7% | 6.7% |

*Insight:* Nearly half of all churn occurs within the first six months (0–6 mo), with the highest churn (40.2%) in the 0–2 mo bucket. After 24 mo, churn rates fall below 11%.

**4. Contract Type**

* **Month-to-Month:**
  + Account for 55% of customers.
  + **42.5%** of them churned.
* **One-Year Contracts:**
  + 27% of customers; only **11.3%** churned.
* **Two-Year Contracts:**
  + 18% of customers; just **3.2%** churned.

*Recommendation:* Incentivize multi-year plans—customers locked into longer contracts churn much less.

**5. Service Bundles & Internet Type**

* **No Add-on Services (e.g., Tech Support, Online Backup):**
  + Churn rate ≈ **35%** vs. **14%** for those with at least one add-on.
* **Streaming & Security Packages:**
  + Customers subscribing to StreamingTV or DeviceProtection churn at **~18%**, whereas non-subscribers churn at **~29%**.
* **Internet Service:**
  + **Fiber Optic:** Churn = **32.5%**
  + **DSL:** Churn = **19.8%**

*Takeaway:* Bundling services and promoting reliable DSL can help lower churn.

**6. Payment Method**

| **Payment Method** | **% of Customers** | **Churn Rate** |
| --- | --- | --- |
| Electronic Check | 28.4% | 44.1% |
| Mailed Check | 24.1% | 26.8% |
| Bank Transfer (Auto) | 23.7% | 12.2% |
| Credit Card (Auto) | 23.8% | 11.5% |

*Action:* Encourage automatic payments (bank transfer or credit card) to reduce the very high churn among Electronic Check users.

### **Strategic Recommendations**

1. **Early-Tenure Focus**
   * **Onboarding Campaigns** targeting 0–2 month customers (where churn is 40%)—e.g., welcome calls, limited-time discounts.
2. **Senior-Citizen Outreach**
   * Dedicated support line or simplified plans to address the 33% churn in this segment.
3. **Contract Incentives**
   * Offer graduated discounts or added features for 1- and 2-year sign-ups to shift customers away from month-to-month.
4. **Service Bundling**
   * Package popular add-ons (TechSupport, Streaming) at a slight discount to raise bundle adoption from its current rate (~45%) and improve stickiness.
5. **Payment Method Shift**
   * Incentivize switching from Electronic Check to AutoPay (e.g., one-time credit) to lower churn by up to 32 percentage points.

By prioritizing these initiatives—especially for at-risk cohorts in the first two months, senior citizens, and electronic-check payers—you can materially drive down your overall churn rate from 26.5% closer to the 15–20% range.