**Executive Summary – Customer Churn Analysis**

This analysis investigates factors influencing customer churn, based on demographic, service usage, and contract features. The goal is to identify trends that can guide targeted **retention strategies** and reduce churn.

**📌 Overall Churn Rate**

* **26.54%** of customers have churned from the company.
* This highlights a substantial opportunity to improve customer retention and lifetime value.

**👴 Senior Citizen Status**

* **42%** of senior citizens have churned, compared to **24%** of non-senior citizens.
* This suggests older customers may require more tailored communication, service support, or pricing incentives.

**⏳ Tenure Impact**

* Customers with **1–2 months of tenure** exhibit a **churn rate above 50%**.
* In contrast, customers with **tenure > 60 months** have a churn rate **below 10%**.
* Long-term users show loyalty, indicating a strong case for **onboarding support and early-stage engagement programs**.

**📃 Contract Type**

* **Month-to-month** contract users have a churn rate of nearly **45%**.
* Customers on **one-year** and **two-year contracts** have significantly lower churn rates at around **11%** and **3%**, respectively.
* This indicates that encouraging longer-term contracts can **substantially reduce churn**.

**🌐 Internet Service Type**

* **Fiber optic users** show a churn rate of approximately **42%**, much higher than **DSL users (~19%)** and those with **no internet (~7%)**.
* The churn from fiber optic users could be related to **cost, performance issues, or competition**, warranting deeper investigation.

**💳 Payment Method**

* Customers using **Electronic Check** have a churn rate of **45%**, which is the highest among all payment methods.
* Those using **credit cards or bank transfers** have churn rates around **15–20%**.
* The high churn from electronic check users may be linked to **user experience or financial behavior**.

**📡 Additional Services Influence**

Customers **without value-added services** are consistently more likely to churn:

* **Online Security**: 33% churn without it vs. 11% with it.
* **Tech Support**: 32% churn without vs. 10% with support.
* **Streaming TV/Movies**: Higher churn rates among those who **do not use** these services.
* **Device Protection** and **Online Backup** show similar trends.

This strongly suggests that **upselling additional services** can improve engagement and retention.

**✅ Key Recommendations**

1. **Focus on retaining new customers** during the first 3 months with onboarding campaigns.
2. Offer **incentives to move month-to-month customers** to longer contracts.
3. Investigate and **optimize fiber optic plans** or service satisfaction.
4. Promote **value-added services** to improve stickiness.
5. Consider **personalized retention plans** for senior citizens.
6. Review and improve the **electronic check payment experience** or encourage alternative methods.