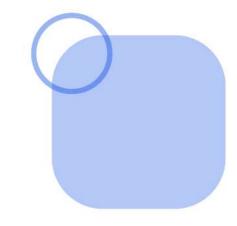
TELCO CUSTOMER CHURN ANALYSIS





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OBJECTIVE

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

KEY INSIGHTS AND FINDINGS



Contract type and Churn

- Customers on month to month contracts exhibits the highest churn rate, with 42% customers are likely to churn.
- In contracts, customers on one and two year contracts have churn rates of 11% and 3%.



Payment method and Churn

 Customers paying via electronic checks show the highest churn rate at 45%, while those using credit cards, bank transfers, or mailed checks have lower churn rates of about 15-18%.



Churn By Tenure

Customers with less than one year of tenure are most likely to churn, with 50% churn rate. Those with 1-3 years of tenure show a decreasing churn trend trend at 35%, while customers who have been with the company for more than three years have a churn rate of just 15%.

KEY INSIGHTS AND FINDINGS



Churn by Internet Service <u>Type</u>

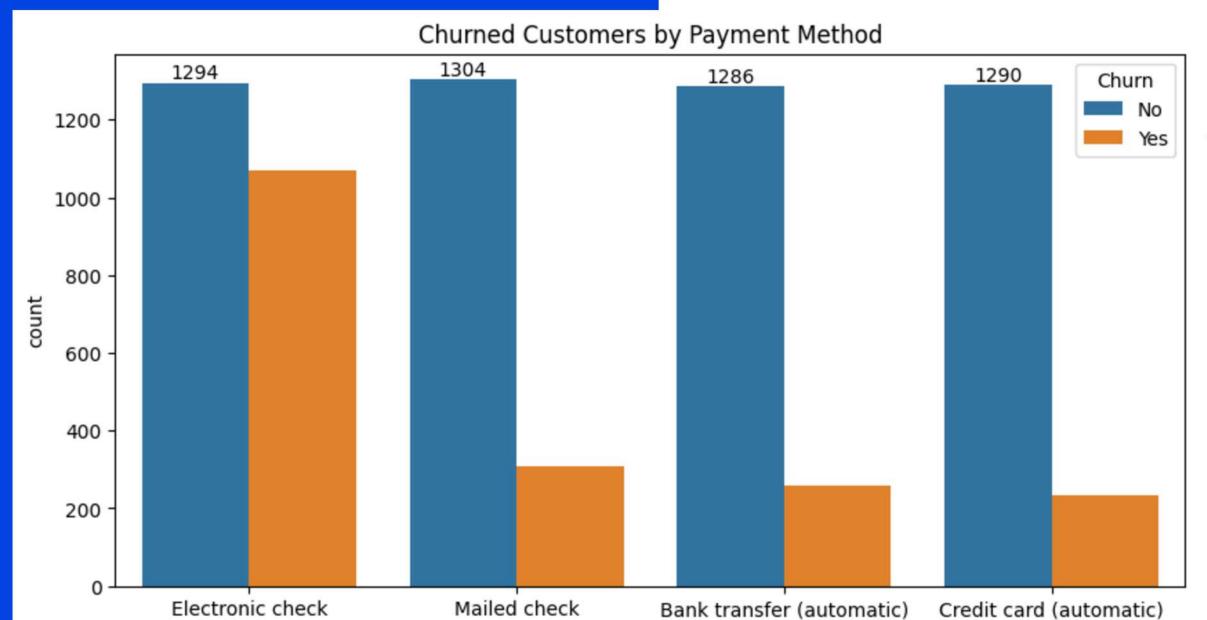
 Customers using Fiber Optic services show a higher churn rate of 30%, compared to DSL customers with a churn rate of 20



Senior Citizens and Churn

 The analysis reveals that senior citizens (aged 65+) have a churn rate of 41%, compared to a 26% churn rate among non-senior citizens.

 This visual representation of churn by payment method clearly shows that



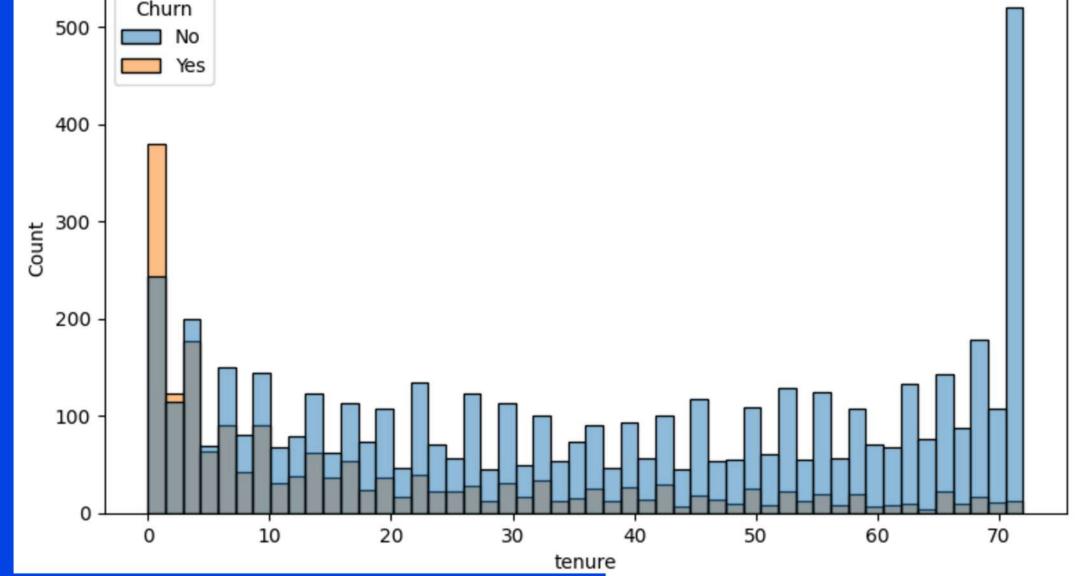
PaymentMethod

customers using electronic checks churn almost three times as much as those using more traditional or secure methods like credit cards.

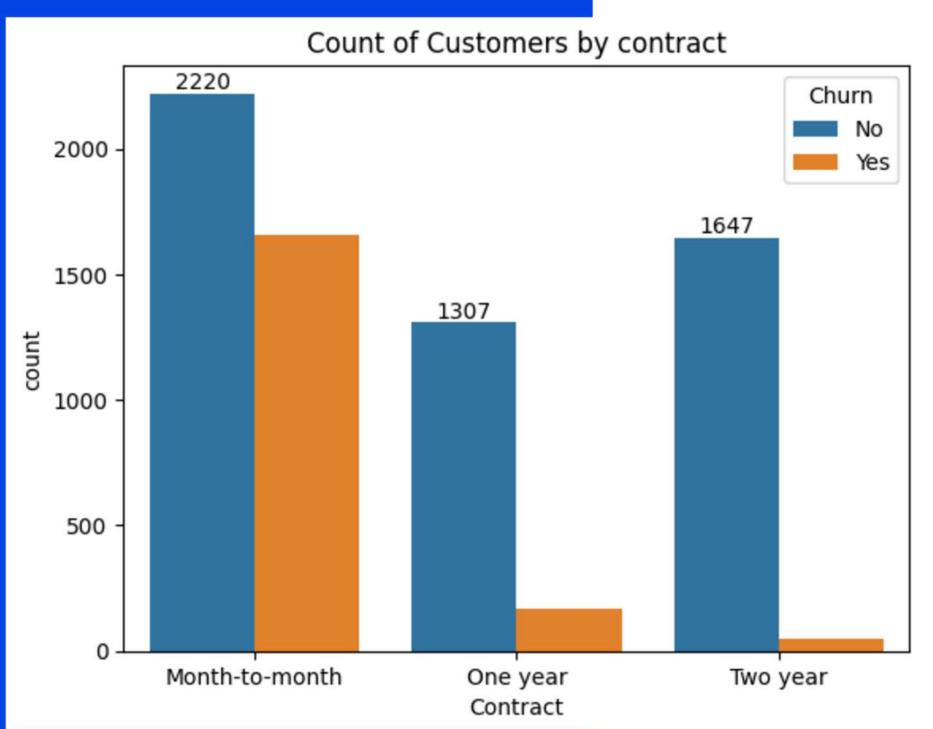
 About 45% of people who are using electric check method churn's the most.

 Customer tenure vs. churn rate visualizations reveal a clear declining trend in churn as customers' tenure

increases, underscoring the need for early-stage customer loyalty programs.

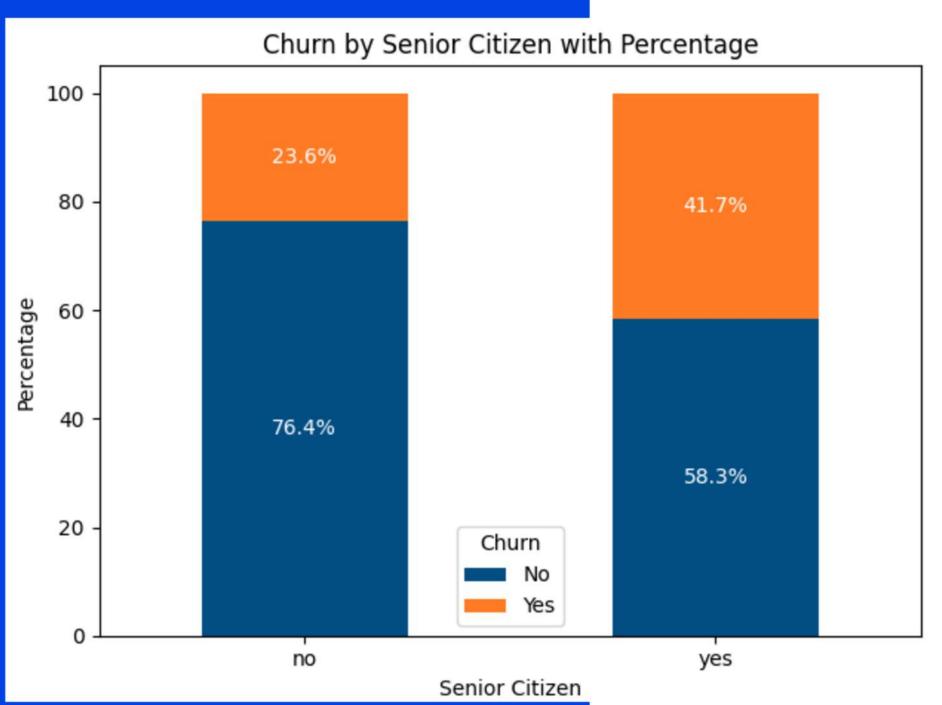


 Customers with less than one year of tenure are the most likely to churn, with a 50% churn rate.



 Customer having month-month contract have highest churn rate about 42% of customers likely to churn those are on contract basis.

 Longer contract periods serve as a strong retention tool, as customers with extended commitments are far less likely to leave.



- According to this visualization customers who are senior citizen (65+) have highest churn rate rather than non- senior citizen.
 - Special retention programs and targeted customer service for senior customers may help reduce churn in this demographic

RECOMMENDATIONS

- Promote Long-Term Contracts: Offer incentives for customers to commit to longer contracts to reduce churn.
- Address Payment Method Concerns: Implement campaigns encouraging customers to switch from electronic checks to more reliable payment methods.
- <u>Customer Engagement in Early Tenure:</u> Focus on improving the customer experience within the first year, as churn is highest in this period.
- Special Senior Citizen Retention Programs: Create personalized offers or assistance programs to retain the senior demographic.

CONCLUSION

- Based on the analysis and recommendations, addressing customer churn requires a targeted, data-driven approach. By promoting long-term contracts, the business can build a more stable customer base, reducing the risk of frequent churn.
- Furthermore, focusing on customer engagement during the critical first year of tenure is essential, as this is when churn rates peak. Personalized retention programs for senior citizens can tap into an important demographic, fostering loyalty and strengthening the brand's reputation for customer care.
- These strategies, informed by the data, are designed to reduce churn, improve customer loy alty, and contribute to sustained business growth over time.

THANKYOU

FOR YOUR ATTENTION

