
Customer Retention Insights

Created for TeleCom by Kimberly Humphrey

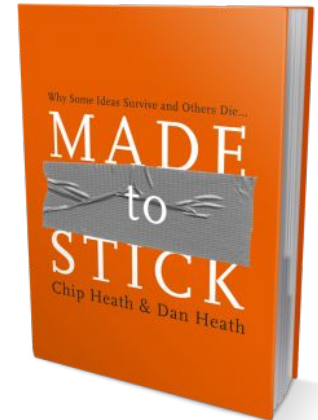
Focus - Customer Churn

Company's Current Estimated Retention Rates

14 % Leave

86% Stay

- Ways to identify a client that has a higher probability of terminating their contract BEFORE it happens
- Intervening to increase our current retention rates





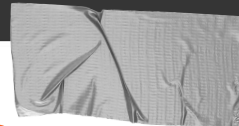
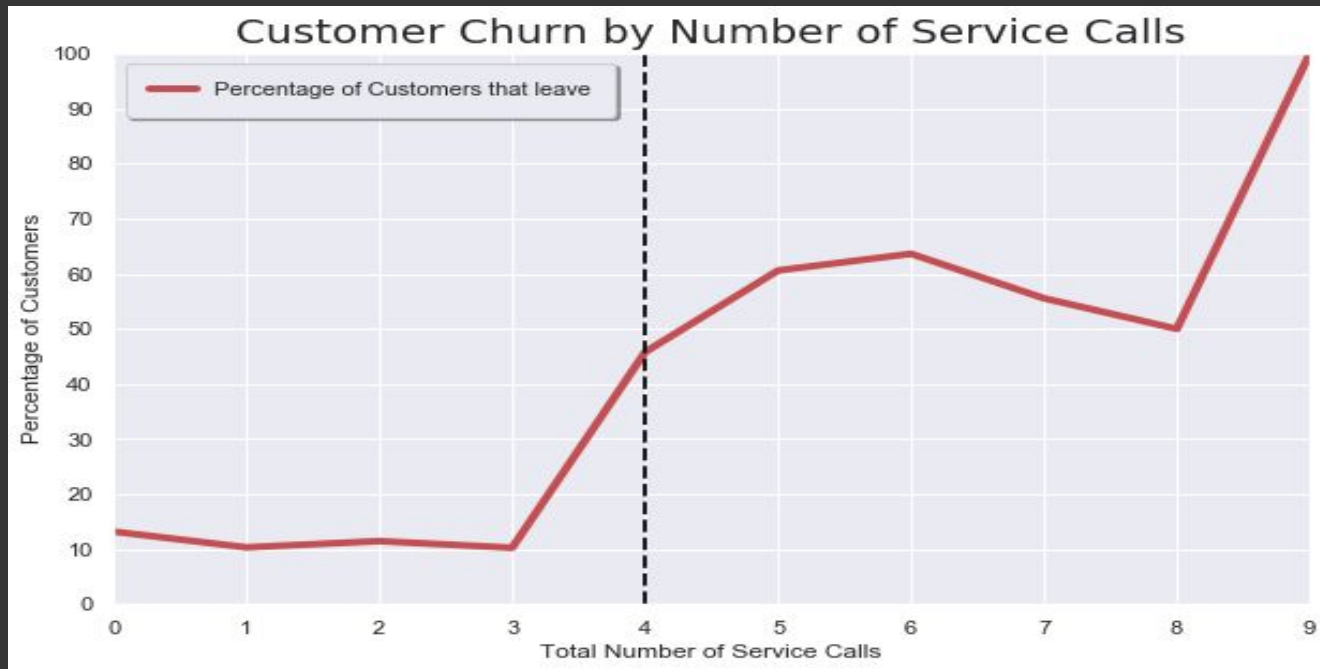
Indicators

Top 3

- **High Customer Service Calls**
More than 3
- **Having an International Plan**
Why?
- **Spending over \$1 a day**
Your most valuable customers

Customer Service Calls

Once a Client has made their 4th service call, there is nearly a 50% chance they will end service.



Tips

Implement an intervention plan for clients that reach 3 customer service calls.

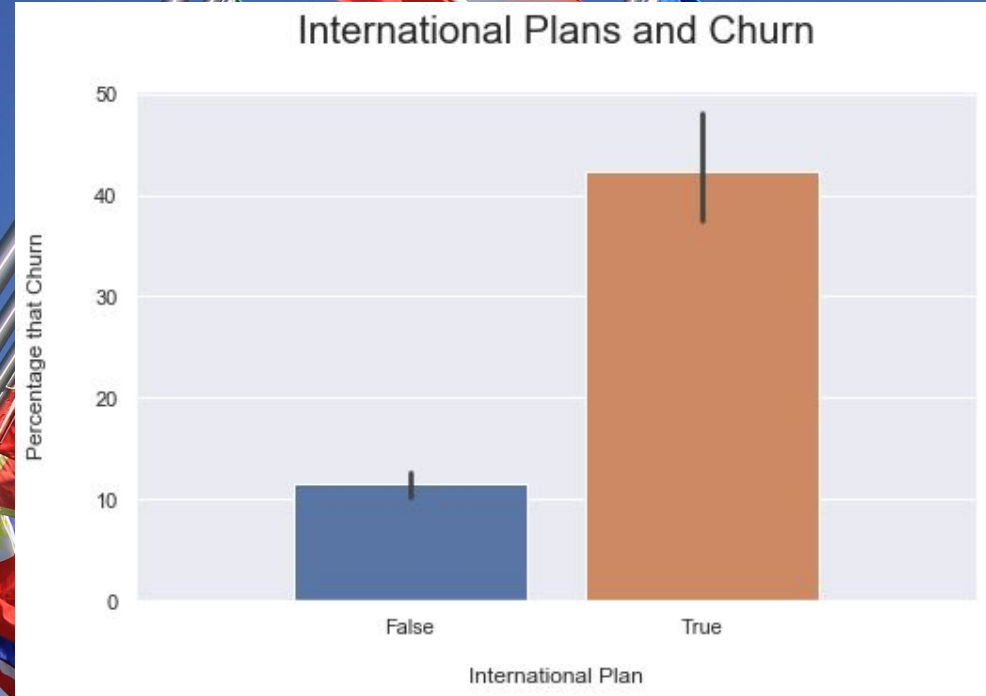
Research ways to improve how customer service calls are handled

International Plan

- Customers that have an international plan leave at almost a **50% rate**

Tip

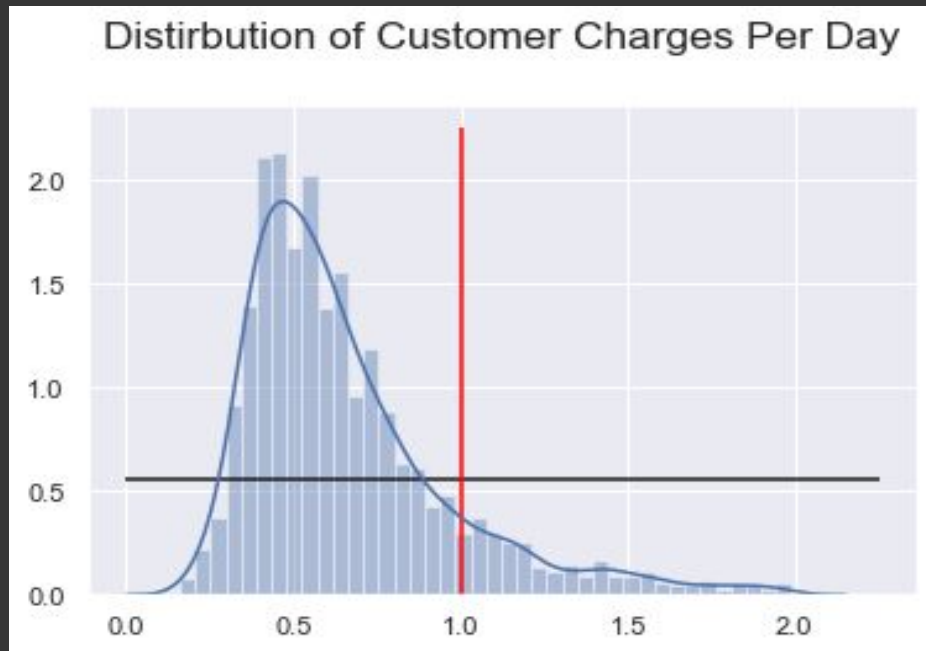
Focus on this group and find out why



Most Valuable Customers

Spend, on average,
over \$1 a day.

Currently lower
retention overall
18% churn



\$0.56 is the median spend per
customer per day

Tip

Focus on your most
valuable customers first



Goal

→ **Identify**

Customers that are likely to churn using indicators provided

→ **Intervene**

Before that customer becomes a statistic

Summary of Identifiers

1. Reaching 4 customer service calls
2. Having an International Plan
3. Spending over \$1 a day on average

Story for illustration only



Final Model

Using a classifying algorithm we can predict about **87% of customers that leave** before they do -- as well as customers who are potentially heading that direction.



Tip

Pay extra attention to the customers that fall into this model.

Future Work

- Potential Data we Can Track or Acquire:

of accounts, specific locations, age, sex, race, income, family, dropped calls, job, education, calls answered / unanswered, married/single, education, credit score, employer or personal account

- Finding patterns of customers that stay vs. leave
- Surveying Customers
- Analyzing the effect on churn of any changes made from these findings



Tip

Together we can lower churn and increase the bottom line

**Thank You, I look
forward to working with
you again!**

- Kimberly Humphrey

