# **📋 Costco Membership Churn Analysis – Summary Report**

**🎯 Overall Churn Rate**

* **26.6%** of Costco members have churned, indicating more than 1 in 4 members are leaving.
* This is a substantial loss rate with significant financial implications.

**🧍‍♂️ Demographic Factors**

* **Senior Citizens** churn **15% more often** than non-seniors, suggesting age-specific needs or dissatisfaction.
* Members **without partners or dependents** show **higher churn**, potentially indicating less household value perception or loyalty.

**📡 Service Usage & Churn**

* Lack of **Online Security, Tech Support**, and **Device Protection** services is **strongly linked with higher churn**.
* Members with **Fiber Optic internet** churn more than those with DSL, possibly due to price or reliability perceptions.
* Those **not using streaming services** also show higher churn, implying underutilization of features.

**📝 Contract Type & Billing Preferences**

* **Month-to-month contracts** have the **highest churn rate**, clearly indicating that long-term plans (1-2 years) reduce churn significantly.
* **Paperless billing users** churn more often, which may correlate with less engaged or more price-sensitive customers.
* **Electronic check users** are most likely to churn vs those on **auto-payment methods** (bank/credit card).

**💰 Financial Impact**

* Estimated **monthly revenue loss** due to churn: **$121,000+**.
* Total historical revenue lost from churned members exceeds **$4.2 million**, underscoring urgency for proactive retention strategies.

**📊 Behavioral Patterns**

* **Short-tenure members (< 12 months)** churn at **the highest rate**, indicating onboarding or early value perception issues.
* **High churn** is associated with **low Total Charges**, suggesting these members didn’t stay long enough to contribute much.

**✅ Key Takeaways**

* Focus retention efforts on **new members**, **month-to-month contracts**, and those **not using key services**.
* Consider promotions for annual contracts, boosting service feature engagement, and tailored outreach to **seniors and isolated members**.
* Examine the **onboarding process** and **communication of service value** early in membership.