Customer Churn Analysis - Executive Summary

1. Key Business Metrics

Total Customers Analyzed: 7,043

Churn Rate: 26.5% (~1,869 customers)

Retention Rate: 73.5% (~5,174 customers)

2. Key Insights & Supporting Data

A. Contract Type:

- 87.2% of churned users were on month-to-month plans.

- Churn Rates: Month-to-month (43.9%), One year (11.0%), Two year (2.8%)

B. Tenure:

- Customers with <12 months tenure make up 52.3% of churners.

- Customers with >24 months tenure churn at <10%.

C. Payment Methods:

- Churn Rates: Electronic Check (45.3%), Mailed Check (19.3%),

  Auto Bank Transfer (15.0%), Credit Card Auto (14.7%)

D. Add-on Services:

- Churn is significantly lower among users with Tech Support, Online Security,

  or Device Protection (avg ~16%) vs. those without (avg ~35%)

E. Demographics:

- Higher churn among Senior Citizens (41.7%) and users without dependents (31.5%)

3. Actionable Recommendations

1. Promote Long-Term Contract Plans

2. Strengthen Early Engagement (focus on first year)

3. Incentivize Auto-Payment Methods

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4. Bundle High-Retention Services

5. Target At-Risk Demographics

6. Monitor and Act on Churn Signals

4. Final Note

Churn is driven by short-term contracts, limited service use, and billing friction.

Strategic retention programs can improve loyalty and extend customer lifetime value.