Executive Summary with Code Components

© Objective:

This analysis aims to uncover patterns and factors influencing customer churn using a telecom dataset. It dives deep into payment behavior, contract types, tenure, and demographics, utilizing Python-based data analysis and visualization libraries to support strategic recommendations.

Data Loading & Preprocessing:

- Libraries Used: pandas, numpy, matplotlib.pyplot, seaborn
- Steps Taken:
 - Loaded Customer Churn.csv using pandas.
 - Handled invalid/missing data:
 - Replaced blank entries in TotalCharges with "0" and casted it to float.
 - Checked for duplicates and null values.
 - Converted binary flag in SeniorCitizen to human-readable strings ("yes"/"no") using a custom conv() function.

✓ Visual Explorations & Insights:

1. Churn Distribution (Overall):

- Used sns.countplot and plt.pie to visualize churn vs. non-churn.
- **Insight:** ~27% of customers have churned (visualized via both count and percentage).

2. Contract Type and Churn:

• Bar plots revealed:

- 42% churn rate in month-to-month contracts.
- 11% for 1-year and 3% for 2-year contracts.
- Interpretation: Longer contracts clearly enhance retention.

3. Payment Method and Churn:

- Used grouped bar plots to show churn distribution:
 - 45% churn for electronic check users.
 - o **15–18% churn** for credit card and bank transfer users.
- Implication: Security/perception issues may drive churn among e-check users.

4. Tenure and Churn:

- Used groupby() and line plots for trend analysis:
 - o **50% churn** in customers with tenure < 12 months.
 - o **35% churn** between 1–3 years.
 - o Drops to 15% after 3 years.
- Implication: Retention efforts are crucial within the first year.

5. Internet Service Type:

- Fiber Optic users have ~30% churn, higher than DSL users (~20%).
- May suggest dissatisfaction with service quality or higher competition.

6. Senior Citizens and Churn:

- Converted the SeniorCitizen column and analyzed its effect.
- Churn rate:
 - 41% among seniors (65+)
 - o 26% among non-seniors

• Suggestion: Dedicated support or loyalty offers for seniors may help.

Additional Code-Based Techniques:

- Data Aggregation: groupby() with agg() used for summarizing churn by features.
- Bar Labeling: Used bar_label() for precise chart annotation.
- Percentage Labels: Used autopct in pie charts for churn % breakdown.
- Figure Formatting: Customized sizes and titles for better interpretability.

Recommendations:

1. Incentivize Long-Term Contracts:

o Offer discounts or perks for yearly/bi-annual commitments.

2. Discourage Electronic Checks:

 Introduce loyalty points or rewards for users switching to more stable payment methods.

3. First-Year Onboarding Strategy:

 Deploy targeted engagement (emails, offers, support) during the first 12 months.

4. Senior-Focused Customer Service:

 Create senior-friendly support and retention plans, including simplified UX or phone support.

5. Review Fiber Service Quality:

Conduct surveys to pinpoint dissatisfaction drivers and address them directly.