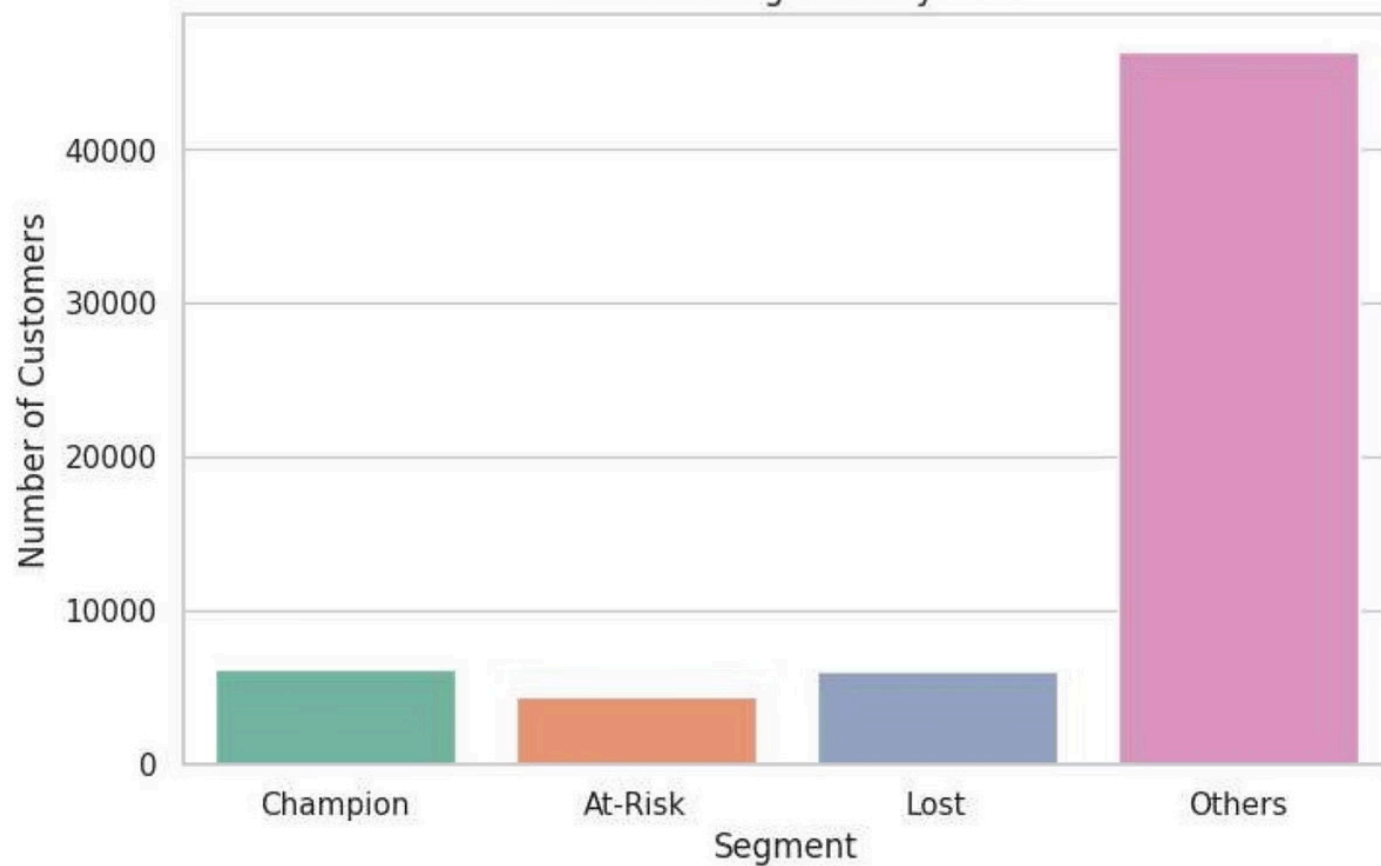
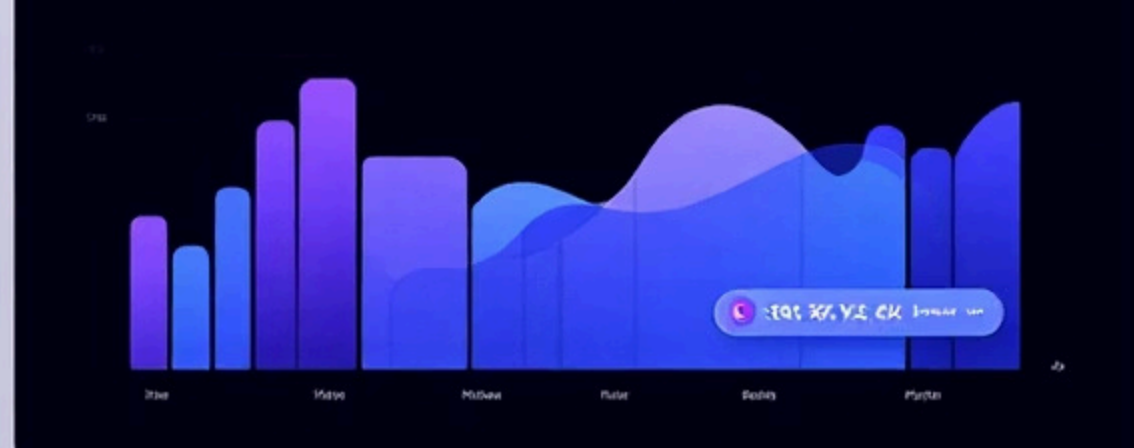


Customer Segments by RFM



Customer Churn Analysis

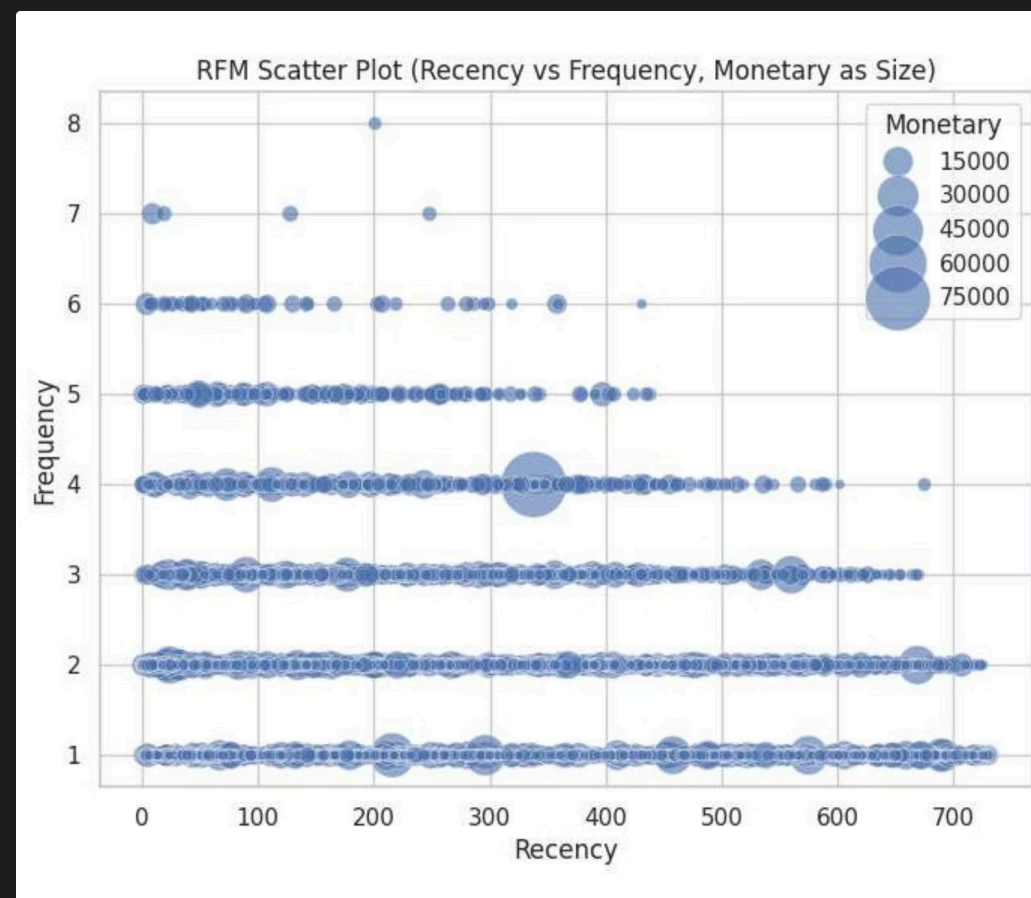
Understanding patterns and drivers of customer attrition to build retention strategies



Churn Distribution Overview

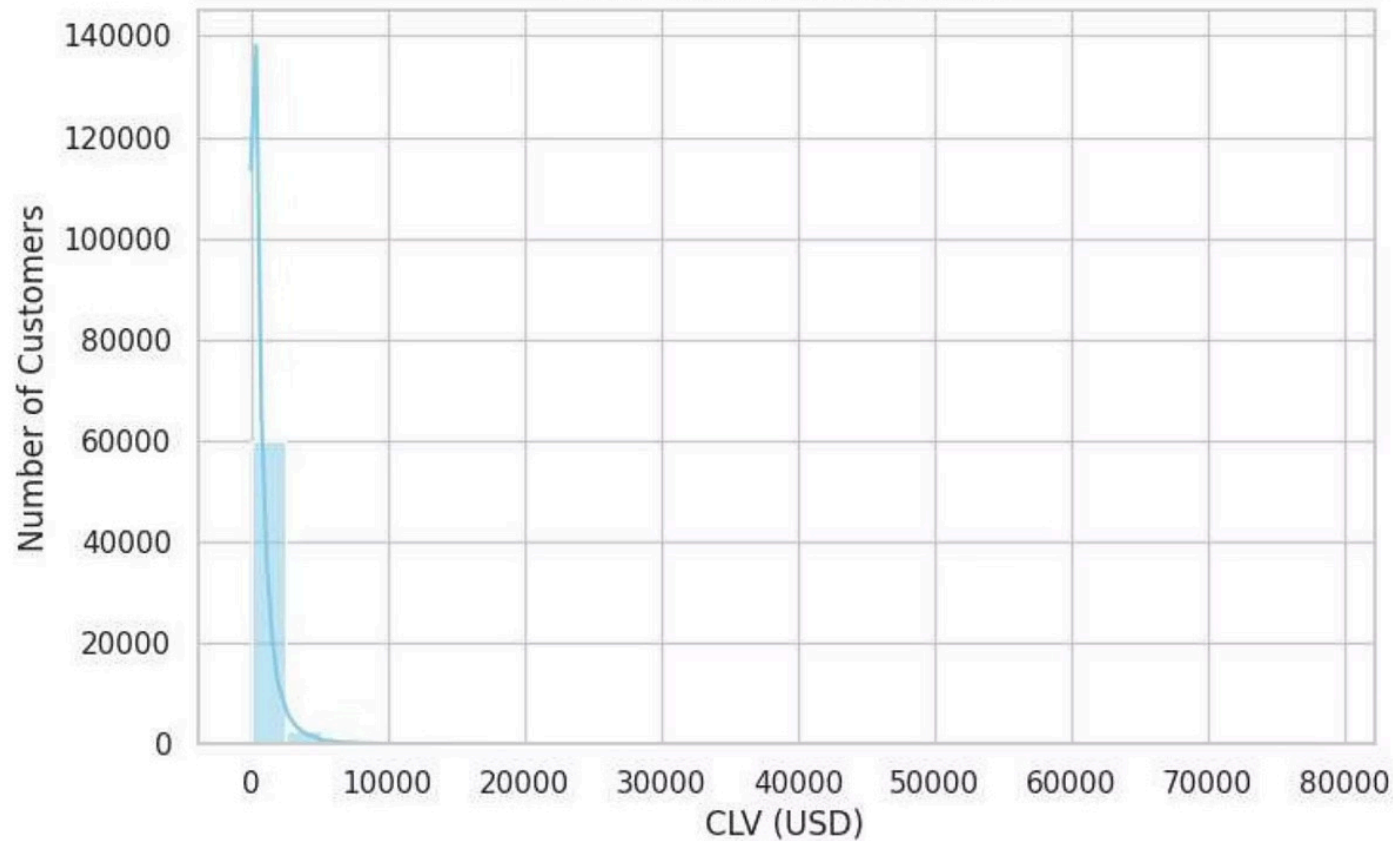
Key Insight

Customer churn reveals critical patterns across demographics, contract types, and service usage. Understanding these distributions helps target retention efforts effectively.



Demographic Patterns

Distribution of Historical CLV



Gender Distribution

Churn rates show minimal variation between male and female customers, suggesting gender-neutral retention strategies.

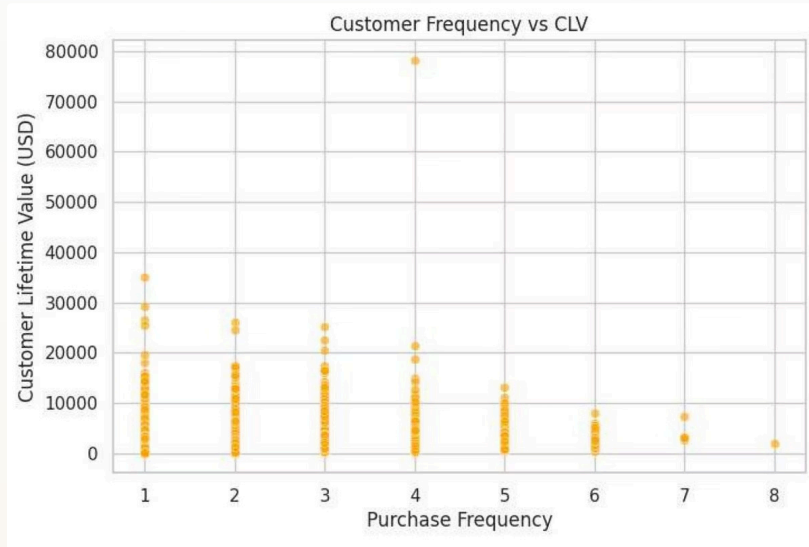
Age Analysis

Senior citizens demonstrate higher churn rates, indicating need for specialized support and engagement programs.

Partner Status

Customers without partners show elevated churn, highlighting importance of relationship-based retention.

Contract Type Impact



1

Month-to-Month

Highest churn risk due to flexibility and lack of commitment

2

One Year

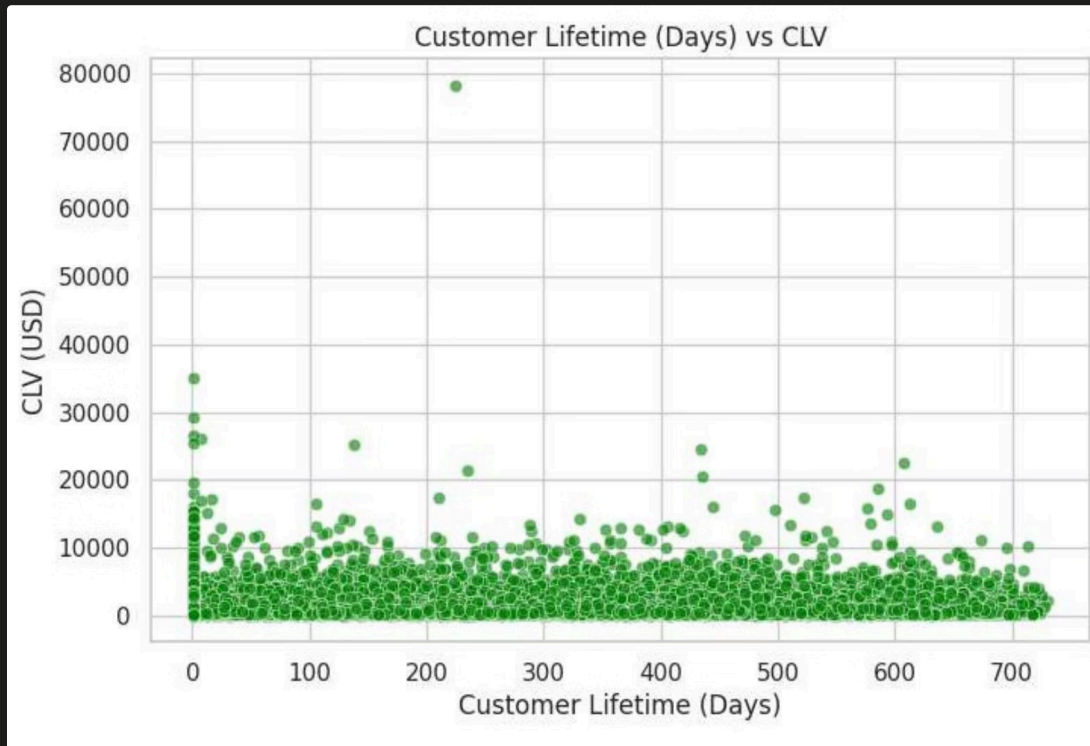
Moderate retention with annual commitment reducing churn

3

Two Year

Lowest churn rates with long-term customer commitment

Service Usage Patterns



Internet Service Analysis

Fiber optic customers show higher churn despite premium service, suggesting pricing or quality concerns.

- DSL users demonstrate moderate retention
- Customers without internet service have lowest churn
- Service quality perception drives retention decisions

Payment & Billing Insights



Payment Methods

Electronic check users show highest churn rates, while automatic payment methods correlate with better retention.



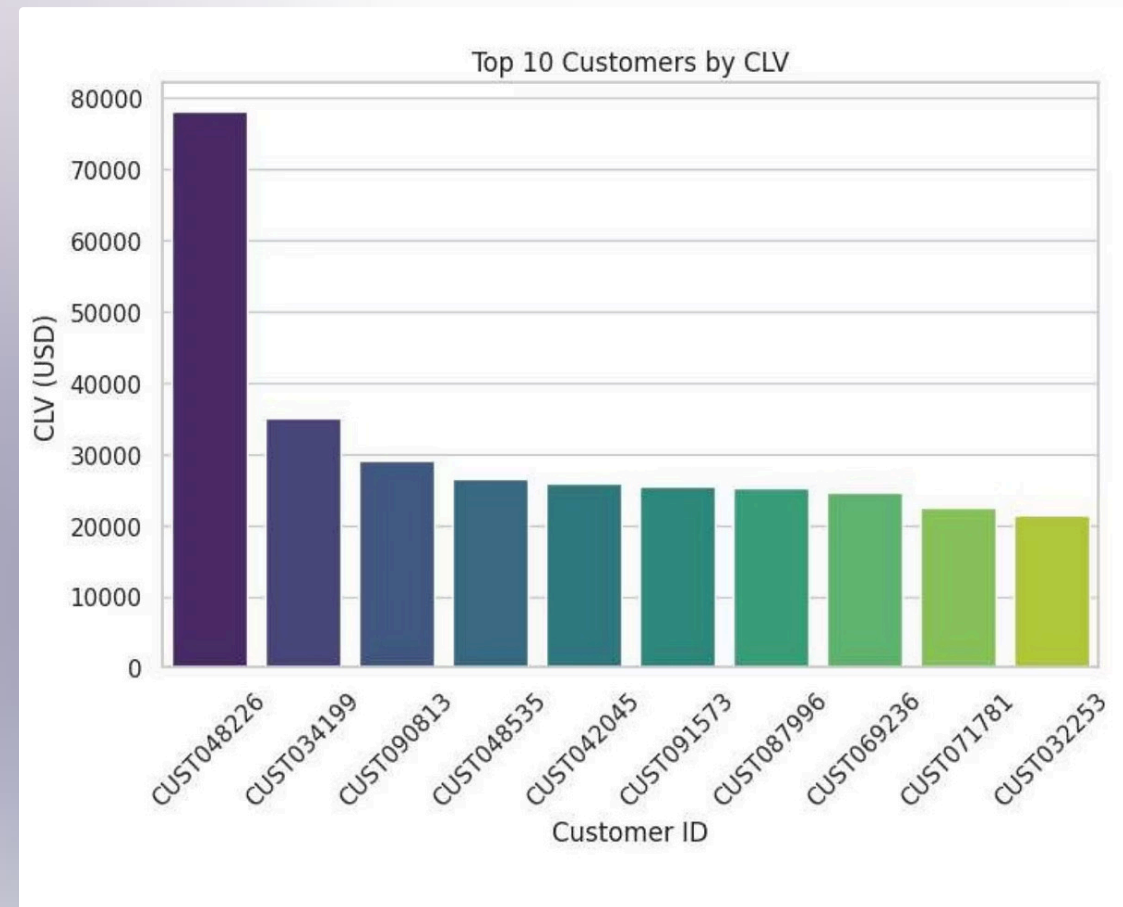
Paperless Billing

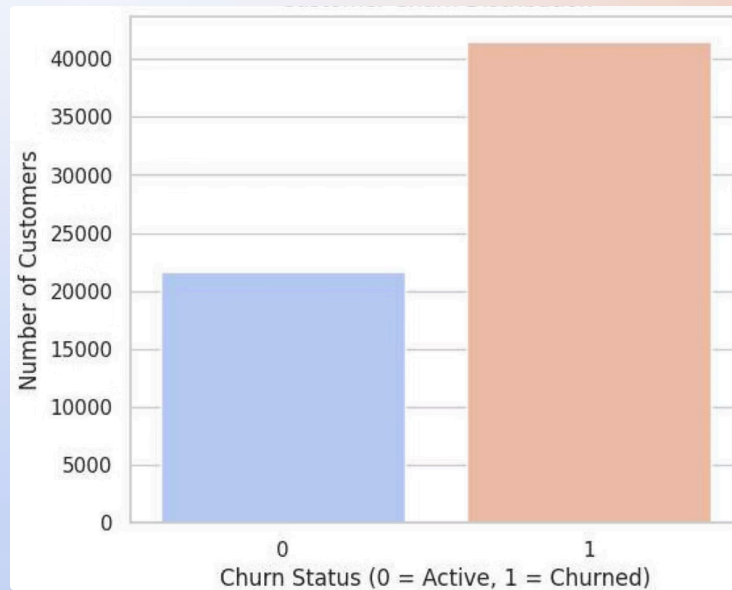
Customers with paperless billing demonstrate mixed retention patterns, requiring deeper engagement analysis.



Monthly Charges

Higher monthly charges correlate with increased churn risk, suggesting price sensitivity among customers.





Tenure & Loyalty Analysis

Customer tenure is the strongest predictor of retention. Early engagement is critical to long-term loyalty.

0-12 Months

Highest churn risk period requiring intensive onboarding support

12-36 Months

Stabilization phase with decreasing churn probability

36+ Months

Loyal customer base with minimal churn risk

Additional Services Impact



Phone Service

Multiple lines correlate with lower churn, indicating household integration increases stickiness.



Security Features

Online security and backup services show mixed retention impact, requiring value communication.



Streaming Services

TV and movie streaming adoption reduces churn through increased service integration.

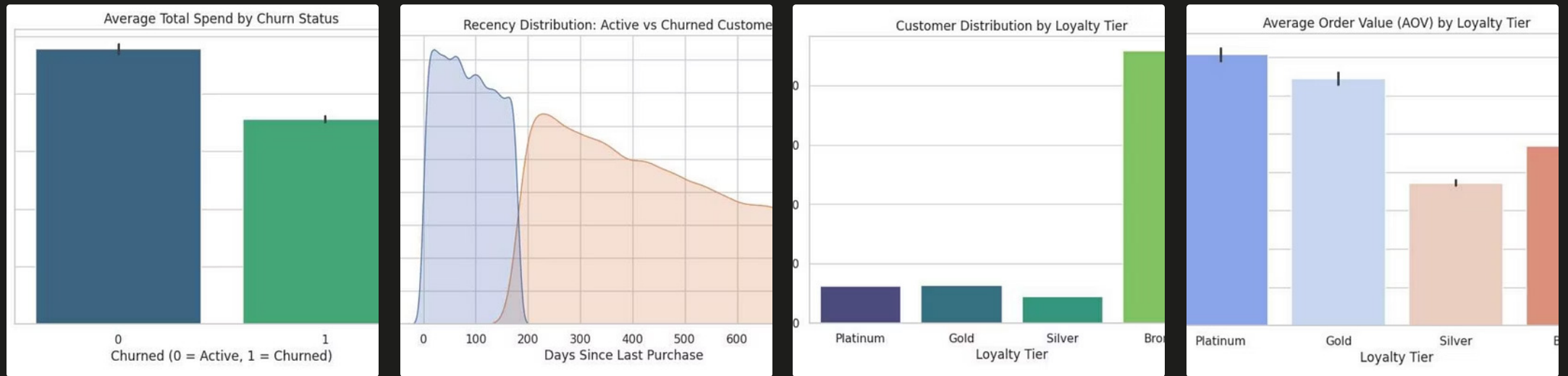


Tech Support

Customers with tech support subscriptions demonstrate improved retention and satisfaction.



Critical Churn Drivers



Comprehensive analysis reveals interconnected factors driving customer attrition across service types, demographics, and engagement levels.

Strategic Recommendations

01

Early Intervention

Focus retention efforts on first-year customers with proactive engagement and support programs.

02

Contract Incentives

Promote longer-term contracts through value-added benefits and pricing advantages.

03

Service Bundling

Encourage adoption of multiple services to increase customer integration and switching costs.

04

Payment Optimization

Transition customers to automatic payment methods to reduce friction and improve retention.

05

Senior Support

Develop specialized programs for senior citizens addressing their unique needs and concerns.