



# Executive Summary

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## Executive Summary

This churn analysis evaluated **1,000 customers** across subscriptions, transactions, and support interactions to understand churn drivers and revenue risk.

The analysis reveals a **high overall churn rate of ~68%**, with churn disproportionately affecting **valuable, revenue-generating customers**. Behavioral patterns, customer experience issues, and plan-level dynamics play a stronger role in churn than demographics alone.

The findings suggest that **churn is not random**, and early warning signals can be used to **proactively retain high-value customers**.

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## Key Business Insights

### 1 Churn Severity & Customer Lifecycle

- Only **32% of customers are currently active**
- Customers churn after an average of **~512 days**, indicating **mid-lifecycle churn**
- Churn is evenly distributed across genders, suggesting **non-demographic drivers**

**Insight:** Retention efforts must focus on *behavioral and experience factors*, not demographics.

### 2 Regional & Plan-Level Risk

- WEST region** has the highest churn concentration
- EAST region** demonstrates better customer stability
- Basic plan** shows slightly lower churn rate, but:
  - Standard & Premium plans contribute higher revenue loss**
  - Churn rate across plans is **consistently high (~69–70%)**

**Insight:** Higher-tier plans do not guarantee retention; value perception matters.

## 3 Revenue & Value Leakage

- Churned customers generated more total revenue than active customers
- Churned customers reduce spending before leaving
- Estimated revenue loss due to churn: ₹1,585,653

💡 **Insight:** The business is losing **high-value customers**, not just low-engagement users.

## 4 Support Experience as a Churn Driver

- Churned customers raised **more support tickets**
- High support usage correlates with **higher churn**
- Slow resolutions increase churn probability
- Even fast resolution does not fully offset frequent issues

💡 **Insight:** Support volume is a stronger churn indicator than resolution time alone.

## 5 Behavioral & Risk Signals

Strong early churn indicators include:

- Reduced transaction activity
- High support ticket frequency
- Shorter customer tenure
- Payment behavior (Card & Wallet users churn more; UPI users remain active)

💡 **Insight:** Churn can be predicted **weeks or months before it occurs** using behavioral data.

## 6 Risk Segmentation Findings

- Majority of churned customers fall into **Low–Medium Risk segments**
- High-risk customers are fewer but churn almost **100%**
- **Standard plan customers** combine:
  - High spending
  - High support usage
  - High churn impact

💡 **Insight:** Retention should prioritize **medium-risk, high-value customers**, not only extreme cases.

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# Final Business

## Recommendations

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### ① Proactive Churn Monitoring System

Implement a churn risk dashboard tracking:

- Transaction frequency decline
- Increase in support tickets
- Tenure milestones (~400–500 days)

👉 Enables early intervention before churn happens

### ② Targeted Retention for Standard & Premium Plans

- Prioritize **Standard plan customers**
- Introduce:
  - Loyalty benefits
  - Personalized renewal offers
  - Plan value reinforcement messaging

👉 Maximizes **ROI on retention spend**

### ③ Support Experience Optimization

- Reduce repeat support interactions
- Identify customers with **multiple tickets in short timeframes**
- Escalate high-value customer issues faster

👉 Improves customer satisfaction and reduces churn driven by frustration

### ④ Revenue Protection Strategy

- Focus on retaining **high-spending customers showing early risk signals**
- Offer targeted incentives **before spending drops**

👉 Prevents high-value revenue leakage

## 5 Regional Retention Strategy

- Conduct deeper diagnostics for **WEST region churn**
- Replicate successful engagement strategies from **EAST region**

👉 Enables region-specific retention actions

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## *Business Value Delivered with Impact*

- ✓ Identified churn drivers
- ✓ Built actionable customer risk segmentation
- ✓ Estimated revenue at risk
- ✓ Designed retention strategy framework

If implemented, these strategies can:

- Reduce churn among high-value customers
  - Recover significant revenue leakage
  - Improve customer lifetime value (CLV)
  - Shift retention from **reactive to predictive**
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