



Executive Summary



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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**.



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.



Final Business

Recommendations

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



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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