

Summary

1. Overall Churn Rate:

- **26.54%** of customers have churned, signifying a significant retention issue that requires attention.

2. Demographic Insights:

- **Senior Citizens** show a disproportionately higher churn rate.
 - **41.7%** of senior citizens have churned, compared to **23.6%** for non-senior customers.
- This indicates a need for specialized engagement strategies targeting elderly customers.

3. Tenure Analysis:

- Customers with a tenure of **1-2 months** have a churn rate of nearly **60%**.
- In contrast, those with a tenure exceeding **24 months** have a churn rate below **10%**.
- This trend highlights the need for improved onboarding experiences and early customer engagement to build long-term loyalty.

4. Contract Type Impact:

- **Month-to-month contracts** have a churn rate of **43.5%**, significantly higher than:
 - **11.4%** for 1-year contracts.
 - **2.7%** for 2-year contracts.
- Encouraging long-term contracts could drastically reduce churn.

5. Service-Based Insights:

- Customers using specific services have lower churn rates:
 - **Phone Service:** Only **15.5%** churn.
 - **DSL Internet Service:** **22.1%** churn.
 - **Online Security:** **18.6%** churn.
- Conversely, the absence of certain services correlates with higher churn:
 - **No Tech Support:** **49.3%** churn.
 - **No Online Backup:** **41.6%** churn.
 - **No Streaming TV:** **39.8%** churn.
- Promoting these beneficial services may improve customer retention.

6. Payment Method Influence:

- Customers paying via **Electronic Check** exhibit a churn rate of **45.8%**, significantly higher than those using:
 - **Bank Transfer (5.2%)**

- **Credit Card (10.3%)**
 - **Mailed Check (15.9%)**
 - Encouraging secure and automated payment methods can positively impact retention.
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Actionable Recommendations

- ✓ Develop specialized customer engagement programs for **senior citizens** to address their unique needs.
 - ✓ Introduce loyalty incentives for **month-to-month contract** customers to promote longer-term plans.
 - ✓ Strengthen onboarding processes for **new customers** to improve early engagement and reduce churn within the first few months.
 - ✓ Actively promote beneficial services like **Online Security**, **Tech Support**, and **Online Backup** to increase retention rates.
 - ✓ Provide incentives to shift customers away from **Electronic Check** payments in favor of more stable methods such as **Bank Transfers** or **Credit Cards**.
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Conclusion

This analysis highlights critical patterns and potential strategies to mitigate customer churn. Implementing these targeted approaches can significantly improve customer retention, driving business growth and long-term success.