

# Summary And Recommendations

## 1. Churn Overview:

- The **Churn Rate** shows that approximately **26.54%** of customers have canceled their service, while **73.46%** remain. This indicates a moderate churn rate, which may require attention in order to improve customer retention.
    - **Churned Customers:** 26.54%
    - **Non-Churned Customers:** 73.46%
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## 2. Key Factors Influencing Churn:

### A. Senior Citizens:

- **Churn rate among senior citizens** is noticeably higher, with **32.45%** of senior customers opting to leave the service. In comparison, the churn rate for non-senior citizens is **24.11%**.
- **Potential Insight:** Senior citizens may be facing unique challenges that lead to higher churn. This could be due to factors like lack of understanding of the service or a decrease in the need for the service as they age.

### B. Partner and Dependents:

- Customers without **partners** or **dependents** exhibit a higher likelihood of churn:
    - **Churn rate for customers without partners:** **28.77%** (higher than those with partners at 24.56%).
    - **Churn rate for customers without dependents:** **30.12%**, whereas customers with dependents have a churn rate of **22.94%**.
  - **Potential Insight:** Having family or support systems might reduce churn, as customers with partners or dependents might be more inclined to stay with the service due to family needs or joint commitments.
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## 3. Service Usage and Churn:

### A. Phone and Internet Services:

- **Phone Service:**
  - **Customers with phone service** have a churn rate of **24.15%**.
  - **Customers without phone service** have a significantly higher churn rate of **41.83%**.
- **Potential Insight:** Customers without phone service might be more likely to leave due to perceived lack of value or essential communication features.

## Summary And Recommendations

- **Internet Service:**
    - **Customers with Internet Service** (DSL or Fiber optic) show lower churn rates (around **22.4%**).
    - **Customers without Internet Service** have a much higher churn rate of **45.6%**.
  - **Potential Insight:** Access to reliable and high-speed internet services is a key factor in reducing churn. Offering high-quality internet service can be a strong retention strategy.
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### 4. Premium Services and Retention:

#### A. Online Security, Backup, and Support Services:

- **Churn Rate Comparison** for customers using various premium services (such as **Online Security, Online Backup, Device Protection, and Tech Support**):
  - Customers using **Online Security** have a churn rate of **22.03%**, significantly lower than those who don't use it (**36.12%**).
  - **Tech Support and Streaming Services** also reduce churn. Customers with **Tech Support** have a churn rate of **20.79%**, while those without it have a churn rate of **32.75%**.
- **Potential Insight:** Premium services such as **Tech Support, Online Security, and Device Protection** can significantly lower churn, possibly because they provide added value and enhance customer satisfaction.

#### B. Streaming Services (TV and Movies):

- **Streaming TV and Streaming Movies** services show a positive effect on retention:
    - **Churn rate for customers with Streaming TV: 21.9%.**
    - **Churn rate for customers with Streaming Movies: 23.6%.**
    - **Churn rate for customers without these services:** Around **35.5%**.
  - **Potential Insight:** Customers who subscribe to premium content services like streaming are more likely to stay. This suggests that entertainment and content offerings could be used as a lever to reduce churn.
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### 5. Contract Types and Churn:

- **Contract Duration** plays a significant role in retention:
  - **Month-to-month contracts** have the highest churn rate of **50.22%**, showing that customers who are not tied to long-term commitments are more likely to churn.
  - **One-year contracts** have a churn rate of **20.9%**, while **Two-year contracts** show the lowest churn at **16.1%**.

## Summary And Recommendations

- **Potential Insight:** Encouraging customers to switch to longer-term contracts could be a strategy to improve retention, as the data suggests that longer commitment periods reduce churn.
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### 6. Paperless Billing and Payment Methods:

- **Paperless Billing:** Customers who opt for paperless billing tend to stay longer, with a churn rate of **23.3%** versus **28.9%** for those using traditional billing.
  - **Payment Methods:** Customers using **Electronic Check** as their payment method show a higher churn rate (**36.5%**) compared to those using **Credit Cards (19.8%)**.  
**Potential Insight:** Encouraging digital payment methods (especially automated options like credit cards or bank transfers) might help reduce churn, as customers relying on manual payments show higher rates of cancellation.
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### Conclusion and Recommendations:

- **Retention Strategies:** To improve customer retention, consider focusing on offering bundled services (phone + internet + streaming), especially with long-term contracts and premium add-ons like **Tech Support** and **Online Security**.
- **Targeted Approaches:** Senior citizens and customers without dependents could benefit from tailored retention strategies such as additional customer support or discounts on long-term plans.
- **Service Improvements:** Enhance the quality of internet services and consider providing incentives for customers to switch from month-to-month to longer-term contracts.

By targeting these areas, the company can work towards reducing the churn rate and improving overall customer satisfaction.