

Summary and Recommendations

The analysis examines **customer churn patterns**, highlighting key factors that contribute to customer retention and attrition. By leveraging visualizations and statistical insights, we identify critical trends that impact business performance.

Key Findings

1. Overall Churn Rate

- **26.54% of total customers have churned**, while **73.46% have remained** with the company.
- This indicates that nearly **one in four customers** is leaving, signaling a need for proactive retention strategies.

2. Impact of Customer Demographics

- **Senior Citizens are more likely to churn** compared to younger customers.
- The churn rate for **senior citizens is higher than the overall average**, highlighting a possible gap in service expectations or customer support for this group.

3. Tenure Analysis: Loyalty vs. Early Churn

- Customers with **short tenures (1-2 months)** show the **highest churn rate**.
- Conversely, **long-term customers (more than 24 months)** exhibit **significantly lower churn rates**, indicating that once customers cross an initial threshold, they are more likely to stay.
- This suggests that early engagement strategies can be key in reducing churn among new customers.

4. Contract Type and Its Influence on Churn

- **Month-to-month contract customers have the highest churn rate (~45%).**
- In contrast, customers with **1-year contracts have a churn rate of approximately 11%**, and those with **2-year contracts show the lowest churn rate (~3%).**
- These numbers strongly suggest that long-term contracts **significantly reduce churn**, likely due to the commitment and potential discounts associated with these plans.

5. Influence of Additional Services on Churn

- Customers **subscribing to additional services (Online Security, Tech Support, and Streaming TV)** tend to have **lower churn rates**.
- Specifically, churn rates are:
 - **Online Security Subscribers:** ~15% churn
 - **Tech Support Subscribers:** ~16% churn
 - **Streaming Services Users:** ~19% churn

- On the other hand, **customers relying solely on Fiber Optic Internet have a churn rate of around 30%**, which is significantly higher than those who bundle additional services.
- This indicates that bundled service offerings create a stronger customer attachment.

Recommendations for Churn Reduction

1. **Encourage Long-Term Contracts**
 - Offer attractive incentives (discounts, loyalty rewards) for customers to switch from **month-to-month to 1- or 2-year contracts**.
 - Highlight the benefits of commitment in marketing strategies.
2. **Implement Proactive Engagement for New Customers**
 - Develop an **onboarding program** to engage customers during their first **1-3 months**, reducing early churn rates.
 - Offer **personalized discounts or free service trials** during this critical period.
3. **Address Senior Citizen Churn**
 - Tailor services specifically for senior citizens, such as **simplified plans, better customer support, and personalized assistance**.
 - Provide additional training or customer education on how to use bundled services efficiently.
4. **Promote Service Bundling**
 - Customers with **Online Security and Tech Support** have **significantly lower churn**; hence, promote these services as a **value-added bundle**.
 - Design attractive service packages that encourage customers to subscribe to **multiple services**.

By addressing these factors, the company can take **data-driven actions** to minimize churn and improve **customer retention, satisfaction, and overall business profitability**.