

Summary and Recommendations

· Objective:

To Analyze customer churn patterns to identify key factors influencing customer retention, focusing on contract types, payment methods, tenure, and demographics.

Key Insights

• **Contract Type**

Customers on **month-to-month contracts** have a churn rate of **42%**.

Customers on **1-year contracts** churn at **11%**, and **2-year contracts** at just **3%**.

→ Longer contracts significantly reduce churn.

• **Payment Method**

Customers using **electronic checks** have the highest churn rate at **45%**.

Those using **credit cards or bank transfers** churn at **15–18%**.

→ Encourage secure, convenient payment methods to improve retention.

• **Tenure and Churn**

Customers with **less than 1 year** of tenure churn at **50%**.

Churn drops to **35%** for 1–3 years, and **15%** after 3 years.

→ Focus on onboarding and engagement in the first year.

• **Internet Service Type**

Fiber optic users churn at **30%**, while **DSL users** churn at **20%**.

→ Investigate service satisfaction among fiber users.

• **Senior Citizens**

Senior citizens (65+) churn at **41%**, compared to **26%** for others.

→ Consider personalized support for older customers.

Visualizations

- **Bar charts** and **pie charts** show churn distribution by contract type, payment method, and tenure.
- **Stacked bar charts** highlight churn across service features like online security, tech support, and streaming services.
- → Visuals clearly show which customer segments are at higher risk of leaving.

Recommendations

• **Promote Long-Term Contracts**

Offer discounts or benefits for customers who choose 1- or 2-year plans.

• **Improve Payment Experience**

Encourage customers to switch from electronic checks to more secure options like credit cards or bank transfers.

• **Engage Early**

Focus on customer experience during the first 12 months to reduce early churn.

• **Support for Seniors**

Launch targeted retention programs for senior citizens, including personalized communication and support.