

1. Objective

To identify key drivers of customer churn and develop data-driven retention strategies using structured customer data.

2. Dataset

- 7,043 customers
- Variables include Contract Type, Monthly Charges, Payment Method, Tenure, and Churn status

3. Key Metrics

Metric	Value
Total Customers	7,043
Churned Customers	1,869
Overall Churn Rate	26.5%

4. Driver Analysis

Contract Type

Customers on month-to-month contracts exhibit a churn rate of 42.7%, compared to 11.3% for one-year and 2.8% for two-year contracts. Contract length is the strongest structural determinant of customer retention.

Pricing Sensitivity

Churned customers pay higher average monthly charges (74.44) compared to retained customers (61.27), indicating that pricing pressure may contribute materially to attrition risk.

5. Strategic Recommendations

- Incentivise migration to longer-term contracts
- Offer targeted retention discounts for high-paying customers

- Implement churn risk monitoring based on contract and pricing indicators

6. Tools Used: Excel (Pivot Tables, Statistical Analysis, Data Visualisation)

Churn Rate by Contract Type

