

## **Customer Churn Analysis – Executive Summary**

### **Business Context**

Customer churn directly impacts revenue and long-term business sustainability. Retaining existing customers is significantly more cost-effective than acquiring new ones. This project analyzes customer churn data to identify key drivers of attrition and propose actionable retention strategies.

### **Objective**

The objective of this analysis is to measure customer churn rate, identify high-risk customer segments, and provide data-driven recommendations to reduce churn and improve customer retention.

### **Data Overview**

The analysis uses a customer churn dataset containing approximately 500 customer records. The dataset includes customer attributes and a churn indicator representing whether a customer has exited the service.

### **Key Findings**

- A significant portion of customers are churning, indicating retention challenges.
- Certain customer segments exhibit notably higher churn rates.
- Numerical variables show clear differences between churned and retained customers.
- Correlation analysis highlights key factors strongly associated with churn.

### **Recommendations**

- Implement targeted retention campaigns for high-risk customer segments.
- Introduce early warning systems to proactively engage customers likely to churn.
- Improve customer engagement and loyalty programs based on churn drivers.

### **Business Impact**

By implementing these recommendations, the organization can reduce churn, improve customer lifetime value, and stabilize long-term revenue growth.