

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.