

# #Customer Churn Analysis – Summary

**Objective:-***The goal of this analysis was to explore customer service usage patterns and identify key factors associated with customer churn.*

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## !!Overall Churn Rate

- Approximately **25–27% of customers have churned**
- Around **1 in 4 customers leave the service**

This is a significant churn rate and indicates retention improvement opportunities.

## Key Findings

### #Contract Type is the Strongest Indicator

- Month-to-month customers show the highest churn
- One-year contracts show much lower churn
- Two-year contracts have extremely low churn

### #Online Security & Tech Support Reduce Churn

Customers who **do NOT** have:

- Online Security
- Tech Support
- Device Protection
- Online Backup

show significantly higher churn.

### #Internet Service Type

- **Fiber optic users show higher churn compared to DSL**
- Customers with no internet service have very low churn

Possible Reason:

Fiber users may have:

- Higher expectations
- Higher pricing
- Service dissatisfaction

## #Payment Method

- **Electronic check users show the highest churn**
- Automatic payment methods (credit card / bank transfer) show much lower churn

!!Automatic payments likely correlate with:

- More committed customers
- Lower friction
- Higher engagement

## #Streaming Services

StreamingTV and StreamingMovies show moderate churn differences but are not as strong predictors compared to:

- Contract type
- Tech support
- Security services

# Business Recommendations

## #Incentivize Long-Term Contracts

- Offer discounts for 1-year or 2-year upgrades
- Provide loyalty bonuses
- Bundle upgrades with contract conversion

## #Bundle Security & Support Services

- Offer discounted bundles:
  - Internet + Online Security
  - Internet + Tech Support
- Provide free trial of protection services

## #Target Electronic Check Users

- Encourage transition to auto-pay
- Offer cashback or discounts for auto-payment enrollment

## #Improve Fiber Experience

- Investigate customer complaints
- Review pricing structure
- Improve support response times

# Conclusion

The churn rate (~25%) is largely driven by:

- Short-term contracts
- Lack of support/security services
- Manual payment methods

Customer retention strategies should prioritize:

- Contract upgrades
- Service bundling
- Payment automation