

A Data-Driven Strategy to Reduce Customer Loss

# Predicting Churn in SyriaTel Customers

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# Introduction

## 01

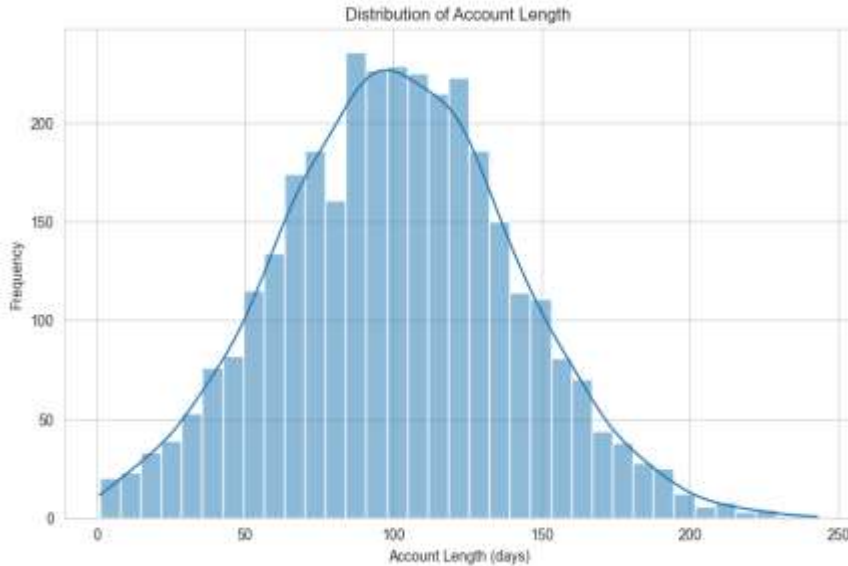
# Introduction

We want to reduce customer churn (leave) by identifying which customers are likely to leave. Churn is costly, so catching high-risk customers early allows targeted retention efforts, like special offers or support.

This presentation aims to present our key findings and recommendations to reduce SyriaTel's customer loss.



# Customer Loss and Impact



SyriaTel loses customers after about 100 days on average. Churn is costly, so catching high-risk customers early allows targeted offers and support. This presentation shows key findings and recommendations to reduce customer loss.

# Opportunity Insights

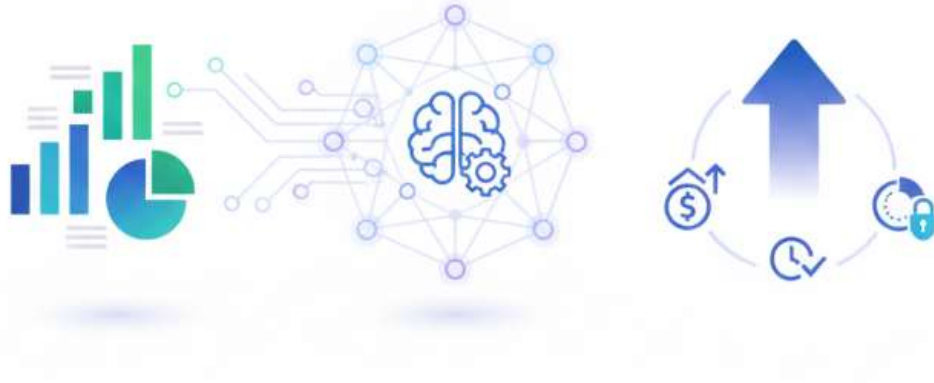
Predictive insights offer a chance to reduce churn by identifying at-risk customers early and enabling proactive retention efforts.



# Methodology

## 02

# Data & Analysis Approach



## Our Analytical Approach:

1. **Analyzed 3,333 customers** with complete behavioral data
2. **Applied statistical testing** to prove which factors drive churn
3. **Built predictive model** catching 75% of potential churners

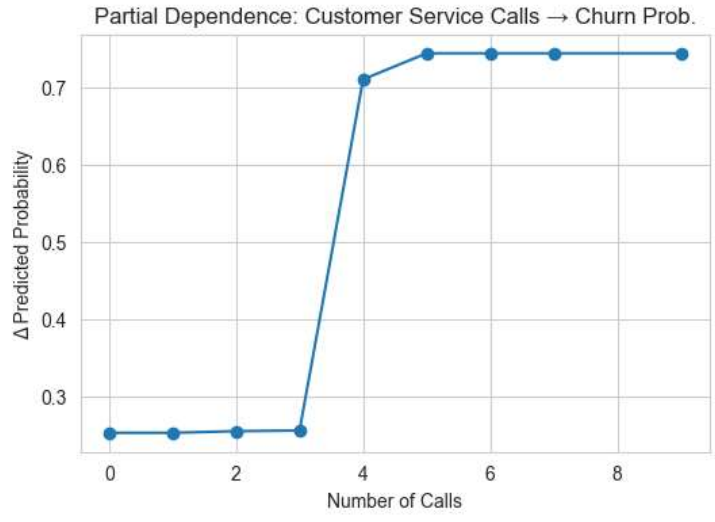


# Findings

## 03

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# Service Frustration



- After 3 service calls, churn probability jumps from 10% to 50%. Companies like Southwest Airlines have built strong brand reputations on the foundation of exceptional customer service.
- We can also improve self-service options to resolve issues quickly and prevent dissatisfaction from escalating.
- We should prioritize following up on customers who place more than 3 calls, and incentivizing them with offers such as free data after the follow-up.

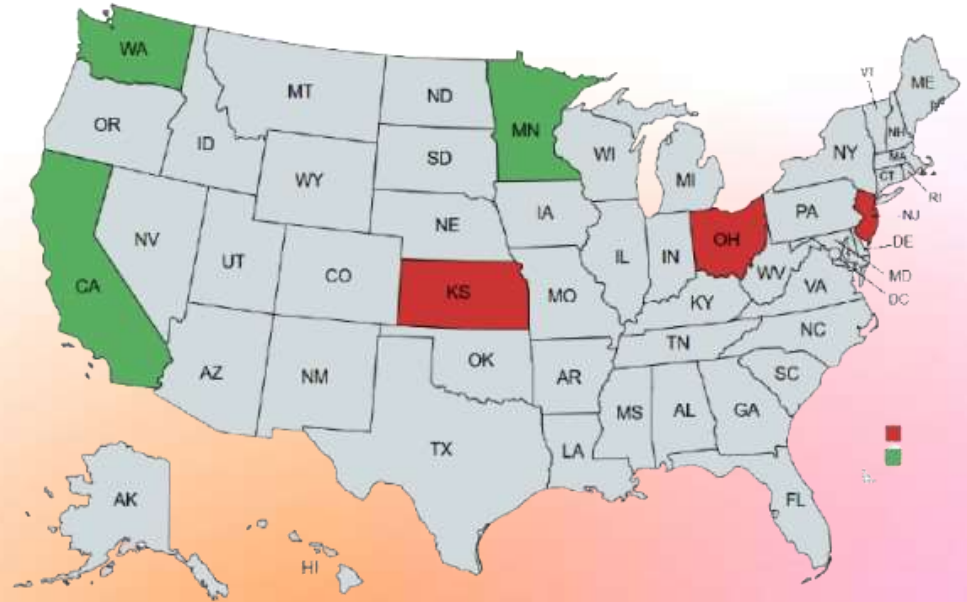
# Geographical Focus

New Jersey, Kansas and Ohio are the most at-risk state for churning.

## Concentration allows for targeted interventions

Companies like Comcast have implemented localized promotions to counter competitor activity in specific regions.

This targeted approach is more efficient and effective than a one-size-fits-all strategy.



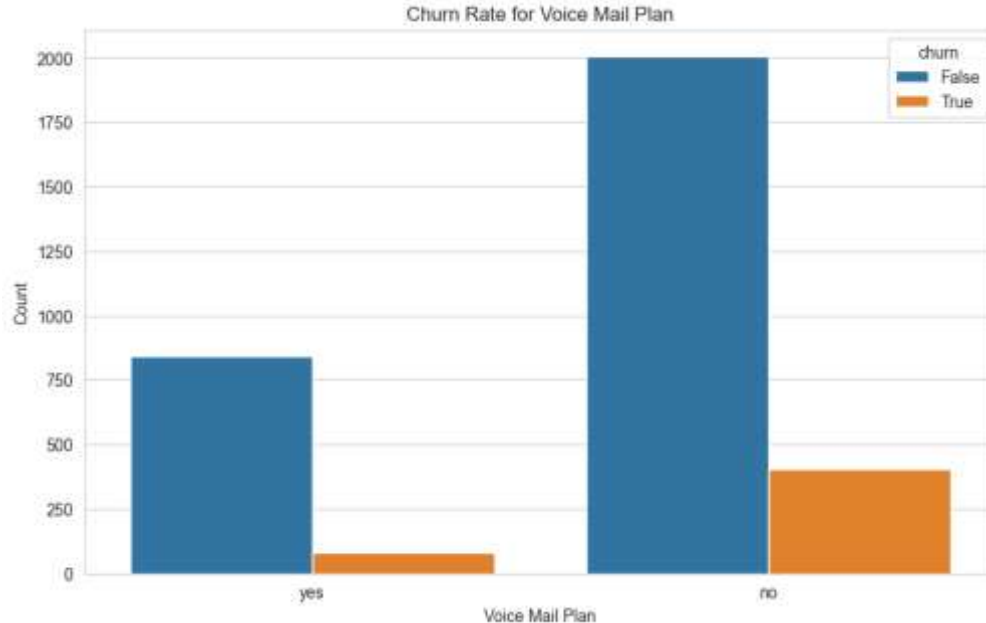
# Billing Surprises



International plan customers churn at 42% vs. the 11% that churn without plans. "Bill shock" from unexpected charges drives defection. We recommend introducing tiered pricing models that provide better value and reward heavy consumption.

e.g. Calling for 200 minutes and getting 100 minutes free.

# Increase Value Through Service Bundling



There are about 9% churned customers with a voice mail plan and roughly 17% churned customers without a voice mail plan.

Strategically package core services with value-add features to increase perceived value and enhance customer loyalty.

The Amazon Prime model, which bundles shipping, streaming, and other perks, is a prime example of this strategy.

We recommend having current data packages include a complementary voicemail package, as voicemail increases retention.

# Introduce a Tiered Loyalty Program

Develop a modern loyalty program that offers both long-term benefits. Give personalized, immediate rewards to retain high-value customers. Tiered system used by the Starbucks rewards program is a successful example of driving repeat business. We recommend offering recurring offers and gifts to high-spending customers to discourage churning

My Starbucks Rewards (before April 12, 2016)		My Starbucks Rewards (April 12, 2016 onwards)	
1	Star per visit	2	Stars per \$1 spent
30	Stars to Gold Level	300	Stars to Gold Level
12	Stars for a free reward(Gold)	125	Stars for a free reward(Gold)
THREE LEVELS		TWO LEVELS	
Welcome	Green   Gold	Green   Gold	
		Monthly Double - Star Days <small>new</small>	

# Conclusions

Expected to reduce churn by **20-30%**, protecting revenue and lowering acquisition costs. Full implementation within 6 months promises strong ROI and improved customer lifetime value.





# THANK YOU

**Do you have any questions?**

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