

Summary Customer Churn Analysis

This analysis provides a comprehensive overview of customer churn patterns, identifying key demographics, service preferences, and payment methods contributing to the churn rate. Based on the analysis, **26.53%** of customers have churned, and detailed insights are summarized below:

1. Customer Demographics

- **Senior Citizens:**
 - Senior citizens are **13.6% more likely to churn** compared to non-senior citizens.
 - This highlights a need for targeted retention strategies for this demographic group, such as personalized plans or improved support services.
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2. Service Duration

- Customers who have used services for **1-2 months** show a significantly higher churn rate, accounting for **over 45% of churned customers**.
 - In contrast, customers with usage exceeding one year exhibit a churn rate below **10%**, indicating that longer-term customers are generally more loyal.
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3. Subscription Plans

- Customers on **1-month subscription plans** account for **65% of churn cases**, compared to customers on **1-year plans (20%)** and **2-year plans (15%)**.
 - This suggests that shorter-term plans correlate strongly with churn, emphasizing the importance of promoting longer-term contracts with added benefits.
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4. Service Preferences

- Customers with bundled services tend to stay longer. Key observations include:
 - **Phone and Internet Services (DSL):** Retained customers are **40% more likely** to use these services.
 - **Online Security:** Customers with this service enabled are **30% less likely to churn**.
 - **Online Backup, Tech Support, and Streaming TV:** Churn rates increase by **15%-20%** when these services are not used or unavailable.
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5. Payment Methods

- **Electronic Check:** Over **50% of churned customers** use electronic check as their payment method, significantly higher than other payment methods.
 - **Mailed Check, Bank Transfers, and Credit Cards:** Churn rates for these payment methods are below **20%**, indicating a better retention rate with these options.
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6. Overall Churn Rate

- A pie chart visualization highlights that **26.53% of all customers have churned**, while the remaining **73.47% have been retained**.
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Recommendations

To mitigate churn and improve customer retention, the following strategies are recommended:

1. **Focus on Senior Citizens:**
 - Develop retention campaigns targeted at senior citizens, such as personalized communication, loyalty rewards, or customer service enhancements.
 2. **Promote Long-Term Plans:**
 - Offer incentives (e.g., discounts or exclusive features) for customers to switch from 1-month plans to 1- or 2-year plans.
 3. **Enhance Service Bundles:**
 - Encourage customers to adopt additional services like online security and DSL by bundling them with attractive pricing or free trials.
 4. **Review Payment Options:**
 - Investigate why electronic check users churn at higher rates and promote alternatives like credit cards or bank transfers.
 5. **Retention Programs for New Customers:**
 - Focus retention efforts on customers within the first 2 months of service to reduce the high churn rate for this segment.
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