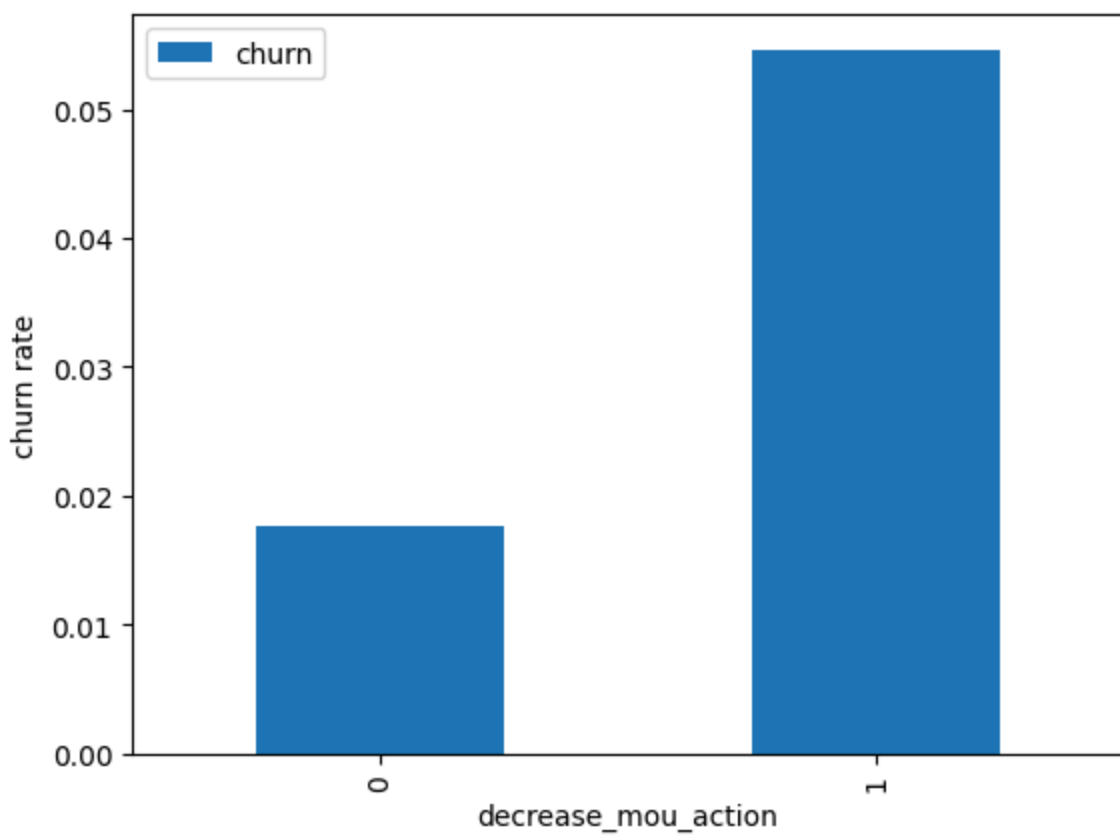


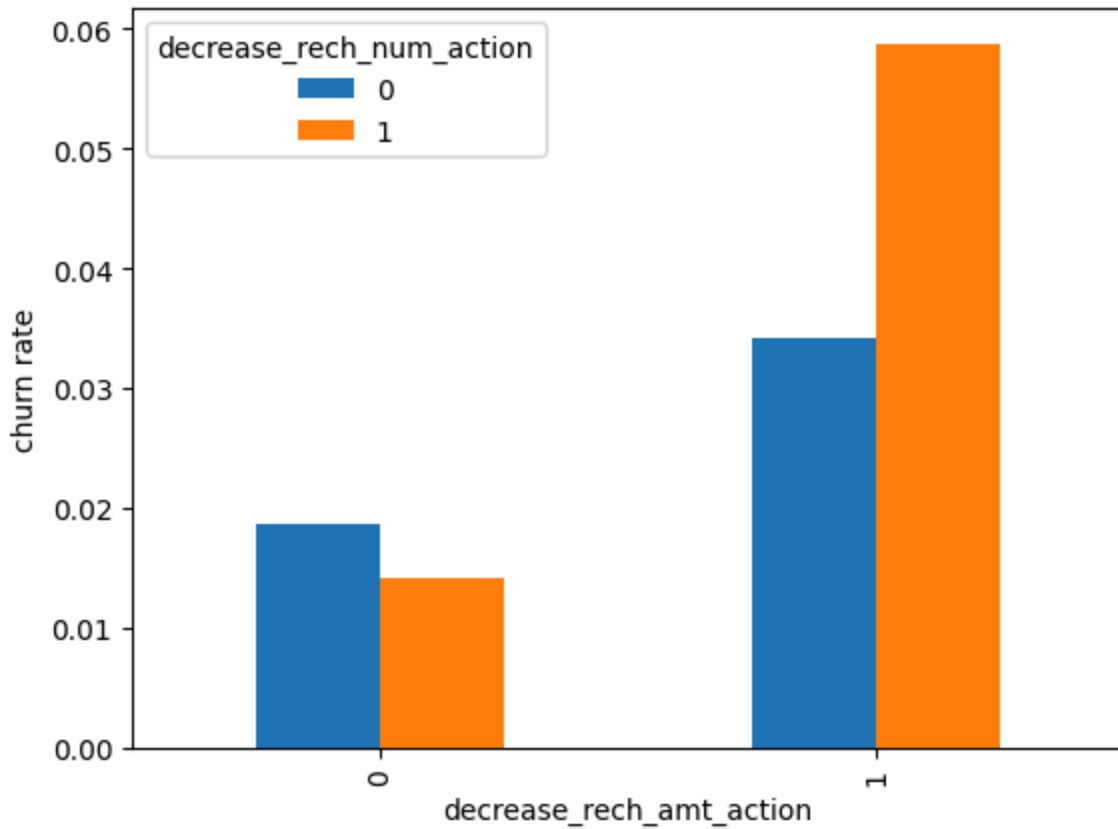
TELECOM CHURN

Overview :

- Goal: Analyze telecommunication company customer data to predict whether or not a customer is likely to leave the platform (churn).
- Data from 7043 customers (21 features):
 - Churn (Yes or No) .
 - Customer account information (tenure, contract, payments, etc.).
 - Demographic Information (Partner, Gender, Age, etc.) .
 - Add-on services provided by the platform.

Target - Customer Churn:

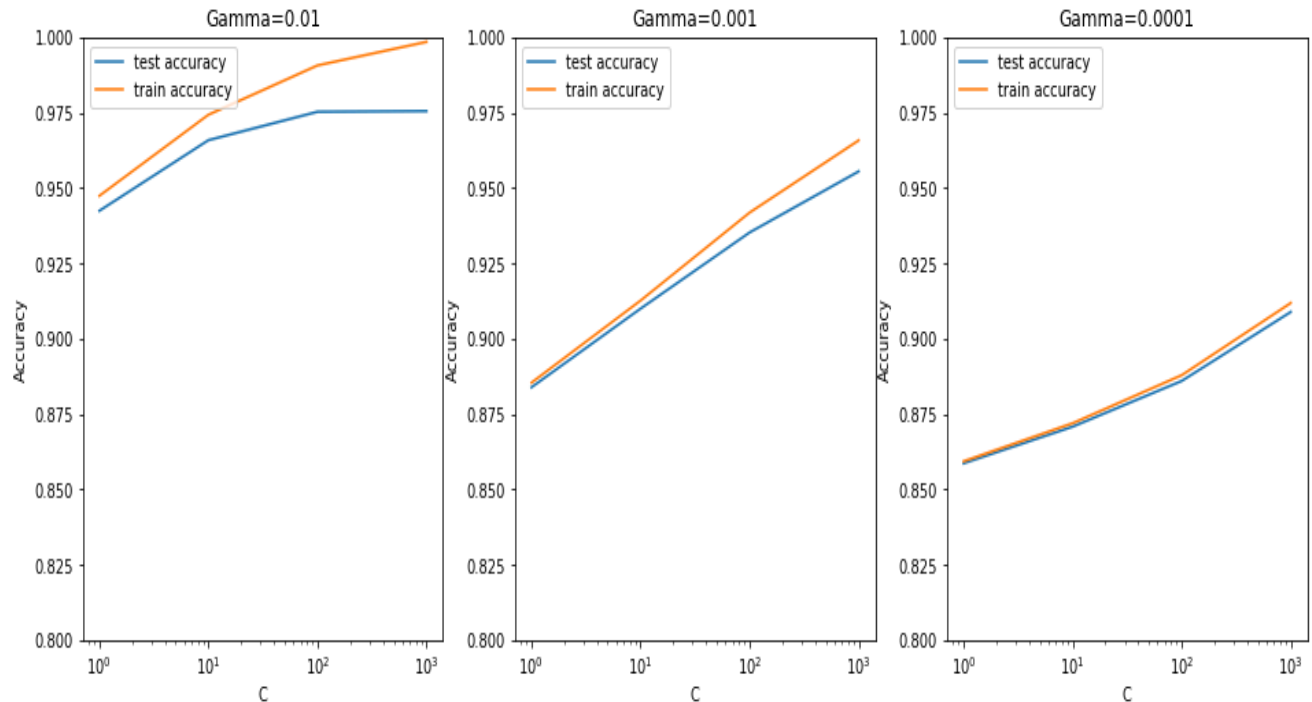




-Significantly more customers will churn when on monthly contracts.

-Churn decreases as contract lengths increase.

-Customers on monthly contracts are most likely to pay above \$60/bill.



Business aspects:

Telecom churn, or customer attrition, is a critical area in the telecommunications industry, impacting revenue, brand loyalty, and operational costs. Here's a breakdown of some key business aspects to consider in managing telecom churn:

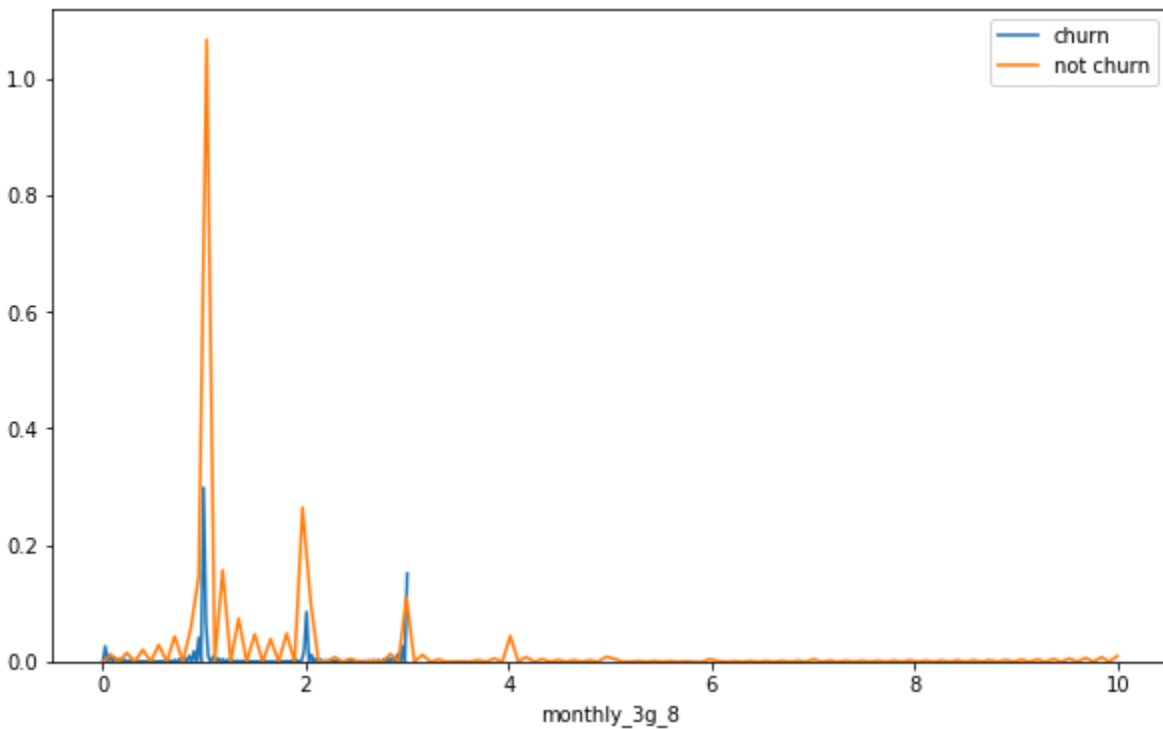
1. Customer Retention Costs vs. Acquisition Costs

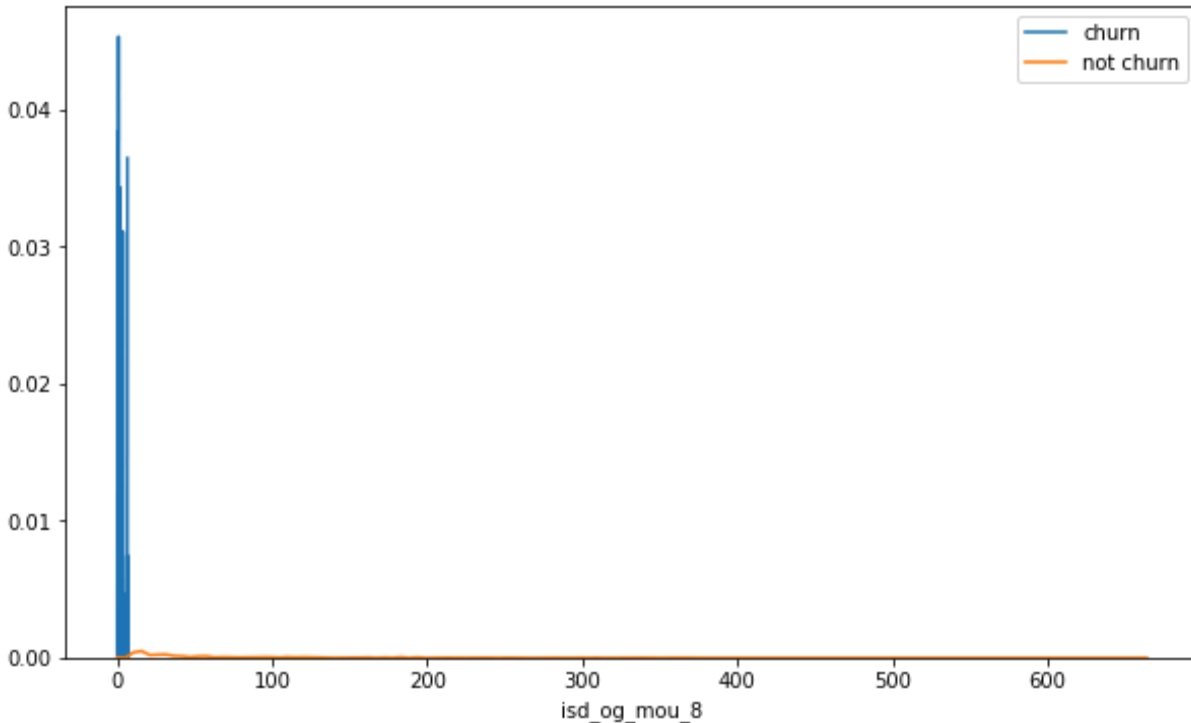
Cost of Retention: Keeping an existing customer is often significantly cheaper than acquiring a new one. Studies suggest that retaining a customer can be up to five times less costly than acquiring a new one.

Targeted Marketing & Incentives: Offering loyalty programs, discounts, or service upgrades can be effective, but they must be strategic to avoid unnecessary cost increases.

2. Customer Experience and Satisfaction

Customer Service Quality: Poor customer service is a primary driver of churn. Investing in efficient and responsive support, personalized service, and issue resolution directly impacts retention.





Conclusion:

- Customers with monthly contracts are 20% more likely to churn than with annual contracts.
- Customers have the highest probability of churning within the first 20 months on the platform.
- Tech-Support & Online Security add-ons play a critical role in preventing churn, while streaming add-ons significantly increase likelihood of churn.
- Customers are twice as likely to churn when the monthly charge is greater than \$6.

