

Summary and Recommendations

Hello, I've just finished going through our customer data, and I wanted to share my analysis on what's causing customer churn. It's a bit of a deep dive, but I've broken it down to make it easy to understand. My main goal was to figure out who's leaving us and why, so we can focus our efforts on keeping them happy.

My Key Findings

After crunching the numbers, my main takeaway is that our customer churn rate is a significant **26.5%**. That's about one in four customers saying goodbye, which is something we definitely need to address. The good news is, I found some very specific patterns. The biggest risk groups are senior citizens, customers on month-to-month contracts, and people using our fiber optic internet service. Interestingly, gender doesn't seem to play a major role at all. Pinpointing these areas gives us a great starting point for building a solid retention strategy.

My Detailed Analysis

1. The Churn Numbers

The dataset of **7,043 customers** shows a clear picture: **73.5% (5,174 customers)** are loyal, but **26.5% (1,869 customers)** have churned. This high churn rate is a significant concern, and my analysis below shows us exactly where to focus our energy.

2. Who's Leaving Us? The Demographics

My analysis shows that churn isn't happening evenly across the board:

- **Gender:** I found almost no difference here. Men have a churn rate of **26.16%** and women are at **26.92%**. We can safely say gender isn't a key factor in predicting who will leave.
- **Senior Citizens:** This is a big one. Senior citizens have a churn rate of **41.68%**, which is almost double that of our non-senior customers (**23.61%**). This group is clearly struggling with something, and we need to figure out what that is.
- **Partners and Dependents:** I noticed that customers without a partner churn at a rate of **33%**, which is much higher than the **20%** for those with one. The same goes for customers without dependents (**31%** churn rate vs. **15%** for those with dependents). It seems having a support system at home makes a difference.

3. Why Are They Leaving? Services and Contracts

This is where things get really interesting, and the data is very clear:

- **Internet Service:** Customers with **Fiber optic** service have the highest churn rate at a staggering **41.89%**. This is much higher than our DSL customers at **18.99%** or

those with no internet service at **7.44%**. I think there might be an issue with our fiber service or how we're supporting those customers.

- **Contract Type:** This is probably the most powerful insight from my analysis.
 - Customers on **month-to-month contracts** are leaving at an alarming rate of **42.71%**.
 - The churn rate drops significantly for **one-year contracts** to **11.27%**.
 - And for **two-year contracts**, it's almost non-existent at just **2.83%**! This tells me that longer contracts are a massive factor in customer retention.
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My Recommendations

Based on what I've seen, here's what I think our next steps should be:

- **Take care of our seniors.** We need to figure out why they're leaving at such a high rate. Maybe it's a customer support issue or a billing process that's too complex. Let's look into creating a more user-friendly experience for them.
- **Get customers on long-term contracts.** The data couldn't be clearer on this. We should brainstorm some attractive incentives—maybe a discount or a free service upgrade—to encourage customers on month-to-month plans to switch to a one-year or two-year contract.
- **Investigate the fiber optic service.** A churn rate of over 40% is a huge red flag. I recommend we look into customer satisfaction for our fiber service. Are there reliability issues? Are our support teams trained to handle fiber-specific problems? We need to dig deeper here.
- **Target single customers.** Since customers without a partner or dependents are more likely to churn, maybe we can create marketing campaigns or special offers that build a stronger sense of loyalty with this group.

I hope this gives us a solid foundation to start working from. I'm confident that by focusing on these areas, we can make a real impact on our churn rate. Let's catch up soon to discuss this further!