

Objective

To identify the major factors influencing customer churn in order to help the telecom company improve customer retention, strengthen service offerings, and reduce churn rates.

Key Insights

1. Tenure Impact

Customers with short-term tenure are far more likely to churn compared to those who have stayed for 1–2 years or longer, indicating retention challenges during the early stages of the customer lifecycle.

2. Dependents vs. Independent Customers

Independent customers show higher churn, while customers with dependents tend to remain loyal, suggesting demographic stability influences retention.

3. Payment Method Influence

Customers paying through Electronic Check have the highest churn rate, highlighting potential dissatisfaction or friction in this payment channel.

4. Senior Citizens at Higher Risk

Senior citizen customers churn more frequently than non-senior customers, indicating a need for specialized support, simplified plans, or tailored communication.

5. Phone Service Usage

Among phone service users, customers with **multiple lines** experience a higher churn rate, possibly due to service complexity or cost concerns.

6. Internet Service Quality

Customers using **Fiber Optic internet** show a higher tendency to churn, pointing toward potential service quality or pricing issues within this category.

7. Lack of Value-Added Services

Customers **not subscribing** to services like Online Security, Tech Support, Online Backup, Device Protection, and related add-ons are more likely to churn. This suggests low perceived value or insufficient awareness of these offerings.

Summary

Churn is primarily driven by early customer experience, payment preferences, internet service performance, and adoption of additional support services. Focusing on these areas can greatly enhance customer retention.