D210 Panopto Script

Hi, my name is Kevin Sandoval and I’m currently a student in WGU’s Data Analytics Masters program. Today I have a presentation for you that compares WGU’s churn dataset and a California Telecom Churn dataset. I wanted to examine WGU’s demographic makeup as well as see how effectively they are retaining customers.

The WGU dataset contains information about their customers. This includes a customers age, gender, contract type, their monthly charge, and if they recently churned. These are the primary variables that I will be examining. The California dataset is very similar to the WGU dataset. It has the same 5 variables we will be examining and also has other miscellaneous information related to each customer. Both datasets are taken from a telecom company and are primarily used at assessing what makes a customer churn from the company. Since retaining customers is vital to a company’s success, it is important to compare the datasets to find their respective strengths and weaknesses.

The first key result I found was that the WGU dataset has an age range that is uniform in distribution, while the California dataset is more normal. This could suggest that the California dataset should focus more closely on people aged 30-60, as they make up a majority of their customer base. The WGU dataset is less clear in this case as all age ranges are roughly similar. This is showcased in the data representation of the age distributions on page 2 of the dashboard.

Another key result from the analysis is that in both cases, the average monthly charge was significantly higher in customers that churned as opposed to customers that didn’t. I think that this is somewhat expected but it is interesting to note that a high monthly charge could indicate that a customer is likely to churn. This is shown in the data representation on the 3rd page of the dashboard that looks at the monthly charge per age bin and if the customer churned or not.

The last key result I saw from the analysis was the effectiveness of the WGU retention rate for contract types. WGU seemed much more effective than the California dataset at retaining customers who were on a month to month basis. However, a churn rate of over 12% on customers with a two-year contract is a huge amount more than the California dataset, which had a churn rate of about 2.5%. This is a clear point of emphasis for WGU as the two-year contract retention rate should easily be lower. This is showcased clearly in the data representation on the 3rd page of the dashboard when looking at the contract type per churn rate.

In summary, the actionable insights that I would take away from this analysis are that WGU needs to prioritize the retention rates of their customers with two-year contract plans. The retention rates of these customers should be a slam dunk, as a contract locks them in. Despite this, they have a significant disadvantage retaining those customers compared to the California set. That said, WGU does an excellent job at retaining customers on a month-to-month basis. I would not risk the retention rate of the month-to-month customers at the expense of the two year contracts, but the two year contract retention rate would be an obvious place to improve upon and help drive down cost for the company.

That’s all I have for you today, thank you for listening and I hope you have a great day!